



A Proposal to Monitor World Finance System

In Report to G-7, German Central Banker To Seek Dialogue but No Big Structures

By Alan Friedman
and Jonathan Gage
International Herald Tribune

DAVOS, Switzerland — Hans Tietmeyer, president of the Bundesbank, said Sunday he would soon recommend to the wealthy Group of Seven nations the formation of a committee of financial regulators to exchange information and track potential problems in the global economy before they erupted.

The influential German central banker was asked by the G-7 last September — after more than a year of global financial crisis — to study

Mr. Tietmeyer said he would "not recommend any big structures, but merely a small secretariat."

He added: "In my view, the most important thing to be done is to deal with deficiencies and find out where systemic problems are coming up. I am not interested in an academic exercise but in concretely identifying deficiencies in the system and new systemic problems and then initiating the political response to them."

On Saturday, Robert Rubin, the U.S. Treasury secretary, addressed the gathering of world business and political leaders here and voiced support for reforming the "architecture" of the international financial system "to reduce its susceptibility to crises and to improve our response to crises."

However, Mr. Rubin appeared to distance the United States from endorsing some European and Japanese proposals for trying to manage currency markets or create new regulatory institutions.

"Widely discussed reforms that sound attractive on their surface," Mr. Rubin warned, "on full examination often raise serious questions to which there are currently no good answers." Mr. Rubin added, "I have come to believe that the ultimate key is not economics or finance, but politics — the art of developing support for strong policy."

Mr. Rubin was explicit in rejecting calls for the G-7 to try to manage the level of the dollar, the yen and the euro by creating target zones. Commenting on the proposals, he said the key to stability in foreign-exchange markets was good economic policy. For major currencies, he said, "target zones and similar measures are no substitute for sound underlying policies."

Responding to widespread suggestions that hedge funds had contributed to the crisis in Asia and Russia, Mr. Rubin said, "I do not believe that hedge funds have been a significant factor in the financial crisis."

But Mr. Rubin conceded that the activities of hedge funds "may well have amplified market movements in some cases for some period of time" and added that the way hedge funds had leveraged their borrowings in order to speculate "merits further examination."

At the Davos conference Sunday, an informal group of international political leaders and government officials concluded two days of consultations on the issue of how to reform the world financial system.

Senator John Kerry of Massachusetts, speaking on behalf of the officials, said, "There was no sense that

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Annan Asks Firms To Enforce 'Values'

UN Secretary-General Kofi Annan, speaking at the World Economic Forum in Davos, Switzerland, called on companies Sunday to enact standards on human rights, labor and the environment in developing countries.

Separately, the U.S. Export-Import Bank's chief said the bank would offer \$1 billion in aid to Brazil. Page 11.

ways to achieve better coordination among supervisors and international institutions such as the International Monetary Fund.

In recent weeks there has been a bewildering array of sometimes contradictory proposals to reshape the way the global economy is policed. The proposals range from small retouches to ambitious ideas for a whole new financial foundation.

The Bundesbank chief emphasized in an interview during an international economic conference here that he did not favor the creation of any large new regulatory structure. He said instead that he was emphasizing the need to strengthen existing regulatory authorities, adding that he said he would deliver his report ahead of a meeting of G-7 finance ministers in Paris on Feb. 20.

"My proposal will be organized around and will look at how we can bring together the IMF, the World Bank, plus national bank, insurance and securities market supervisors," Mr. Tietmeyer said.

"The idea is to bring these people together in regular meetings for an exchange of views and in an effort to reach common conclusions. I am not talking about crisis management, but about how to insure the smooth functioning of the system, of markets."

Although he said it would be premature to provide details of his plan,

No Dissent, if You Please

Tightly Scripted Forum Spurns Alternate Views

By Anne Swardson
Washington Post Service

DAVOS, Switzerland — It was one of those typical discussion groups at the meeting this year of the World Economic Forum, the annual confab of the rich and powerful.

Five panelists, average age 63, were up there talking about how Western Europe is really coming together. A few problems, maybe, but with its new single currency, the euro, the future is bright, they said.

Then it was question time. The moderator called on Fields Wicker-Munin, an American-born management consultant based in Britain who, with a German and a French colleague, had written and that morning distributed a report titled "Wake Up, Europe!"

Europe has big problems, she told the speakers and several hundred listeners, and proceeded to tick them off: double-digit youth unemployment in many countries, flawed edu-

cational systems, a growing gap between old and young, social welfare systems that do not improve living standards, a lack of entrepreneurial spirit and capital — what the report called "an ossified, sclerotic economic system."

The younger generation, said Ms. Wicker-Munin, 40, is stuck with a set of rules it does not want and no capacity to change them.

"We have our whole lives ahead of us," she said. "Something needs to be done."

The panel members, appearing shocked at this unintentional reference to their mortality, could hardly have been less responsive.

She was being a bit harsh, said the moderator, Peter Sutherland.

The session ended. A later news release summarizing the session failed to mention the report or its authors.

But of course, upstarts are not ap-

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An ethnic Albanian mother weeping on Sunday at the funeral for her son, who was killed in a Kosovo village.

Starr Considers Indicting Clinton

Prosecutor Could Act Before President Leaves Office, Aides Say

By Don Van Natta Jr.
New York Times Service

WASHINGTON — The independent counsel Kenneth Starr has concluded that he has the constitutional authority to seek a grand jury indictment of President Bill Clinton before he leaves the White House in January 2001, several associates of Mr. Starr said last week.

While the president's legal team has been fighting in the Senate for the president's political survival at his impeachment trial, Mr. Starr and his prosecutors have actively considered whether to ask a grand jury here to indict Mr. Clinton before his term expires, said Mr. Starr's associates, who requested anonymity.

But these associates emphasized that

Mr. Starr had not decided whether, or when, to ask the federal grand jury here to charge Mr. Clinton with perjury and obstruction of justice related to the Monica Lewinsky matter.

"He is persuaded by precedent and logic that a sitting president can be indicted," one associate said. "But he has given no hint about whether he would do it, either now or sometime down the road."

In taking any such action, Mr. Starr would be guided by a number of factors, including the impact that an indictment of the president would have on the nation and the government, according to the associates and friends with whom Mr. Starr has discussed the matter.

The associates said Mr. Starr had

agreed with the conclusion of his office's two constitutional-law scholars that the U.S. Constitution and legal precedent gave a prosecutor authority to seek the indictment, trial and conviction of a sitting president.

The scholars concluded that the 1997 Supreme Court decision allowing the Paula Jones sexual-misconduct lawsuit to proceed while Mr. Clinton was still in office had greatly increased the chances that an indictment of Mr. Clinton would survive a constitutional challenge by the president's lawyers, the associates said.

Though most constitutional scholars apparently believe that a sitting president can be indicted, the majority of those

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Origin of AIDS Is Traced to Chimps

By Lawrence K. Altman
New York Times Service

CHICAGO — The riddle of the origin of the AIDS virus has apparently been solved, according to an international team of scientists who reported Sunday that they had traced its roots to a related virus in a subspecies of chimpanzee in Africa.

Because the chimpanzee is able to live with the virus without falling ill, the scientists expressed hope that their discovery would eventually help improve therapies and develop an effective vaccine against the AIDS virus.

The researchers, who reported their

findings at the opening session of a scientific meeting here, said the simian virus was closely related to HIV-1, the type of AIDS virus that has caused the overwhelming majority of cases in the world. Since the virus jumped to humans, perhaps through exposure to blood in the hunting and dressing of chimpanzees for meat, it has been transmitted among humans to infect an estimated 30 million people in the world.

"The chimpanzee, which has served as the source of HIV-1, also quite possibly holds the clues to its successful control," Dr. Beatrice Hahn of the University of Alabama at Birmingham, the team leader, said in an interview.

Although scientists have long suspected that HIV-1 came from the chimpanzee, they have not been able to identify the precise subspecies until now.

The subspecies is known as Pan troglodytes troglodytes, and the chimpanzee virus is known as SIVcpz, for simian immunodeficiency virus chimpanzee.

Future research needs to focus on why HIV-1 is lethal for humans while SIVcpz seems to cause no illness in the chimpanzee, even though humans and chimpanzees are 98 percent genetically similar, Dr. Hahn, head of the team, and

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AGENDA

Yeltsin Leaves Clinic In Time for Birthday

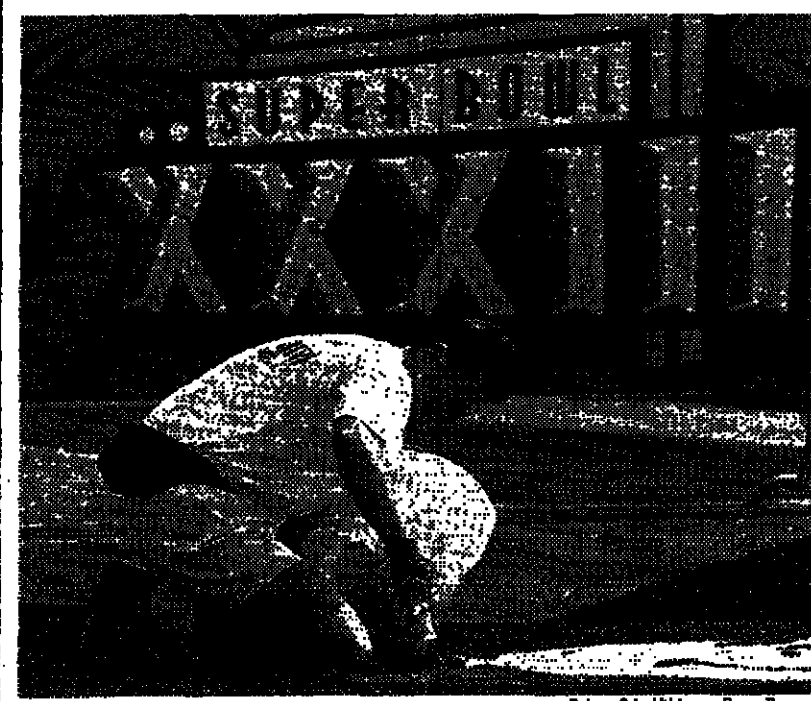
MOSCOW (Reuters) — President Boris Yeltsin spent his first full day out of the hospital on Sunday after two weeks of receiving treatment for a stomach ulcer.

A Kremlin spokeswoman said that Mr. Yeltsin, who will be 68 on Monday, was resting at the Barvikha sanatorium near Moscow one day after leaving the capital's elite Central Clinical Hospital, where he received treatment with drugs.

The spokeswoman said Mr. Yeltsin was expected to spend a quiet birthday at Barvikha with his family Monday.

Mr. Yeltsin, who has handed responsibility for running day-to-day affairs to Prime Minister Yevgeny Primakov, is expected to remain at Barvikha for another two weeks to continue his recovery.

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READY FOR KICKOFF — A National Football League groundskeeper putting a few touches on the field at Pro Player Stadium in Miami for the Super Bowl, which was played Sunday night. Page 18.

Rebels Wary Of Demand For Talks On Kosovo

NATO Chief Cleared To Order Air Strikes; Serbs Assail Pressure

The Associated Press

PRISTINA, Yugoslavia — In the first rebel ethnic Albanian reaction since the announcement Friday of an ultimatum for Serbian-rebel peace talks on Kosovo, a senior Kosovo Liberation Army official said Sunday that negotiations "organized in a rush" would not solve the ethnic conflict.

Also, the leftist party in Serbia, headed by President Slobodan Milosevic's influential wife, criticized international pressure for Serbs and rebel Albanians to begin talks within days in France or face possible NATO military action.

To increase pressure on the parties, NATO authorized Secretary-General Javier Solana to order military action anywhere in what remains of former federal Yugoslavia if the diplomatic initiative failed to produce negotiations in a week and a settlement two weeks after that. Page 7.

Vice President Al Gore reinforced that message in a television interview Sunday, telling British Sky TV, "NATO will back up its demand with force if Milosevic does not keep the agreement."

Neither the rebels nor the Yugoslav Left party categorically rejected demands by the United States and five major European powers for the warring parties to begin talks by Saturday at Rambouillet, a chateau southwest of Paris.

But Albanian state television quoted a senior Kosovo Liberation Army official, Jakup Krasniqi, as having said: "Negotiations organized in a rush do not guarantee success for the solving of the Kosovo problem."

Mr. Krasniqi, who met last week with the U.S. special envoy, Christopher Hill, was quoted by the rebel news agency Kosovo Press as having said that the guerrillas "remain open to negotiations with relevant international actors."

"No one said no," the chief cease-fire monitor in Kosovo, William Walker, told BBC Television. He said that President Milosevic would most likely accept the offer, although his reaction was the one most people worried about.

"On the Albanian side, two out of the four immediately accepted, and the other two said they would get back shortly," said Mr. Walker, head of the monitoring team of the Organization for Security and Cooperation in Europe.

Mr. Walker was threatened with expulsion by Yugoslav authorities last month after he called the killing of 45 ethnic Albanians, including a woman and a child, a "massacre" and blamed government forces for the killings.

He defended those comments on the BBC program, saying: "To date, there is nothing that contradicts what I said."

On a daylong trip through the Balkans on Saturday, Foreign Secretary Robin Cook of Britain delivered the demand by the United States and five European powers to be present in France, no later than Saturday.

Key Points of Cook's Mission

Steven Erlanger of The New York Times reported earlier from Belgrade:

Foreign Secretary Cook acted on behalf of the Balkan Contact Group — the United States, Britain, France, Russia, Germany and Italy — on his mission to Yugoslavia.

He said that he emphasized to President Milosevic the need to reach a settlement in February.

He also made clear to the Yugoslav leader the unity behind the demand that Kosovo be granted self-government in the Yugoslav Federation, which is made up now of only the republics of Serbia and Montenegro.

Mr. Cook then flew to Skopje, Macedonia, to meet ethnic Albanian leaders, including Ibrahim Rugova, the elected leader of the Albanians, who is generally considered a moderate, and Adem

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In a Loud and Noisy World, Baby Boomers Pay the Consequences

By Susan Levine
Washington Post Service

WASHINGTON — Toni Browne listens to people's ears. To how they hear and what they do not. And for most of her 22 years as an audiologist, her clients have overwhelmingly been people pushing 70 or beyond. The hearing-aid set.

But lately, surprisingly, Ms. Browne's contemporaries have been showing up at her Northern Virginia office.

These are men and women in their 40s to early 50s, baby boomers. They confess that they strain to catch words in crowded restaurants or meetings, or that the television suddenly needs to be turned higher. Loud sounds really hurt their ears, and maybe they have noticed an incessant buzzing. Some walk out with the startling news that they

have permanently lost hearing. More than a few return to get fitted for hearing aids.

"I'm seeing more of my classmates as patients, rather than them bringing in their parents," said Ms. Browne, 44. "Sometimes they're even bringing in their teenage kids."

Other audiologists report the same sobering age shift, and statistics are starting to corroborate the anecdotal evidence. Data from the National Health Interview Survey indicate that significantly more Americans are having difficulties hearing. From 1971 to 1990, hearing problems among those from 45 to 64 jumped 26 percent, while the 18-to-44 age group reported a 17 percent increase.

With people living longer than ever, "This has to be viewed as a very serious health and social problem," said Sharon Fujikawa, president of the American Academy of Audiology. "It really be-

hooves us to conserve our hearing as much as possible or risk isolation."

Marilyn Pena, a secretary from Germantown, Maryland, was about 47 years old when she first learned her hearing was deficient. She ignored the diagnosis. Soon she also was ignoring her alarm clock — because she couldn't hear its wake-up beep — and was resorting to lip reading at work.

"People at work would come up and whisper in my ear because they didn't want others to hear, and I couldn't hear, either," she said.

After seven years, pushed by frustrated friends, Ms. Pena finally hooked a hearing aid behind her left ear. She no longer guesses in vain at conversation or asks, "What?" countless times a day.

Worrisome changes also are taking place among children and teenagers, who are growing up with rock concerts far more deafening than those the

Woodstock generation attended, along with the megavolumes of everything from video arcades to boomboxes.

A study published last year in the Journal of the American Medical Association showed that nearly 15 percent of children from 6 to 19 who were tested suffered some hearing deficit in either low or high frequencies.

The main culprit, many suspect, is noise — not just the noise blaring from the headsets that seem permanently attached to teenagers but the noise from their parents' surround-sound stereos, which can rival small recording studios.

Add the barrage to moviegoers' ears during movies such as "Armageddon" and "Godzilla," and the blast from leaf blowers, mowers, personal

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THE AMERICAS

Senators Seek Right Words To Put an End To Clinton Case

WASHINGTON — Lawyers on all sides prepared Sunday for the next round of questioning Monica Lewinsky, even as senators talked of finding bipartisan language that could settle the case against President Bill Clinton.

With the yearlong scandal over Mr. Clinton's relationship with the former White House intern entering what could be its final two weeks, some lawmakers said the Senate might not even get a majority vote against the president, let alone the two-thirds needed to convict and remove him from office.

Ms. Lewinsky, who returned to Washington on Saturday from her home in Los Angeles, was scheduled to be the first of three witnesses to be asked to give depositions to House of Representatives prosecutors and White House lawyers.

"At 9 A.M. on Monday, Representative Ed Bryant, a Tennessee Republican and a former federal prosecutor, will begin questioning Ms. Lewinsky on videotape for possible playback later on the Senate floor. House prosecutors tried to dampen any speculation there would be new bombshells from any witness."

Representative Bill McCollum, Republican of Florida, said on TV that he did not "want anyone to think there is some huge bombshell out there."

Senators fanned out across the television talk show circuit Sunday, with many talking of finding a bipartisan approach short of forcing Mr. Clinton from office while still making it clear that he had done something wrong.

Some Republicans were promoting a "finding of fact" that listed what Mr. Clinton did wrong and could pass by a simple majority before the Senate voted on the two articles of impeachment. Senator Susan Collins, Republican of Maine, who has been one of the prime supporters of the finding of fact movement, said that such a motion would not declare Mr. Clinton guilty of crimes but rather lay out for the record what he did.

With Republicans holding only a 55-45 majority, no one now believes there are the 67 votes needed to convict Mr. Clinton.

Senator John Breaux, Democrat of Louisiana, said that he knew of about "12 or so" Republicans who would vote against removal.

Mr. Clinton rearranged a trip to Central America to be in Washington on Feb. 12, when the Senate intends to cast the final vote on the articles of impeachment.



Monica Lewinsky returning to her Washington hotel with her lawyer, Billy Martin. She is scheduled to give a deposition Monday at the hotel.

Senate Trial Melds 3 Distinct Fights

On One Point, Republicans and Democrats Have Common Goal

By David Von Drehle and Helen Dewar
Washington Post Service

WASHINGTON — The impeachment trial of President Bill Clinton, now entering what could be its final phase, can be divided into three distinct struggles.

First, there is the obvious fight to oust Mr. Clinton from office. This battle appears to be over, now that 44 Senate Democrats are on record as wanting to dismiss the case, leaving just 56 votes to remove him. The constitution requires two-thirds for removal, or 67 votes.

Second, there is a fierce competition for advantage in the 2000 elections.

And third, there is the struggle to look good in the long view of history. This quieter, less overt combat could add an interesting twist to the story.

The first two struggles have polarized the political parties as Mr. Clinton's ratings have soared. The bid for history, on the other hand, might pull them together, if only for a moment — at Mr. Clinton's expense.

Mr. Clinton's interest in his legacy is legendary. But he is not the only one concerned about history. Many Republicans have said that they are going into this next phase of the drama hoping to prove to posterity that the impeachment was fully justified, not mere partisan venom.

"The label that the White House is trying to pin on the Republicans is that we are on a witch hunt, that we have no agenda and that we try to win elections through investigation and smear," said Senator Robert Bennett, a Utah Republican who has delved deeply into the history of impeachments. He rejects this characterization, but he allowed that this "is the label we risk taking on if we don't handle this well."

Many Democrats, who have closed ranks to protect the president, still want a chance to censure him because otherwise they "risk being seen as accepting unacceptable behavior, as the party that doesn't know the difference between right and wrong," said Senator Joseph Lieberman, Democrat of Connecticut.

Mr. Bennett puts the question more pointedly: Will the towering figures on the Democratic side of the aisle — men like Daniel Patrick Moynihan of New York and Robert Byrd of West Virginia — be "willing to wink at serious crimes"?

Senators from both parties, meanwhile, have stressed their desire to look better — fairer, more dignified, less partisan — than the House of Representatives, where the chamber rang with shouts and jeers the day articles of impeachment were passed on virtual party-line votes.

"If we can be judged to have been fair and evenhanded in the process and procedures, that's very important," said Senator Thad Cochran, Republican of Mississippi. "If we're seen as trying to impose rules that are designed to rig the process to the advantage of the House managers, then we deserve to be criticized."

On the first two issues, the interests of the Republicans and the interests of the Democrats are opposite ends of a seesaw. But the third, shared, interest — the desire to make the Senate, and each senator, look good for history — pulls them away from the tester-totter and toward a compromise in which Mr. Clinton receives some official rebuke even as he remains in office.

Mr. Bennett sketched it this way: A bipartisan censure could address each party's political needs. The Democrats could distance themselves from Mr.

Clinton's behavior, and Republicans could conclude the long, bitter combat on a note of placid statesmanship.

According to Mr. Lieberman, an early public critic of Mr. Clinton's behavior, this vision of a shared interest is the force that kept leaders of both parties talking last week, even as one vote after another left them starkly divided.

"There's a real potential for common ground at the end of the trial," he said, "although many will come to that common ground from different places. The constitution and the law doesn't give us an option that we're totally comfortable with."

To remove Mr. Clinton from office would be "extreme," he said, but "just leaving it at that is totally inadequate because it sends a message to our children and to history that the president's behavior was acceptable."

Who loses in this scenario? Mr. Clinton. Obviously, he would prefer to be remembered as a man acquitted of charges brought by a partisan House, rather than as a man rebuked by a unified Senate.

Republicans vs. Democrats, Senate vs. House, president vs. the Senate. Even inside the parties there are factions: Between Democrats friendly to Mr. Clinton and those furious at him; between Republicans intent on pushing impeachment to the bitter end and those who feel that zealots have hooked the party to a plunging anchor.

Ultimately, the forces driving them apart may be too powerful to resist. Mr. Cochran predicted that the high point for bipartisanship in the Senate would probably be the unanimous agreement to get the trial under way. The trial will end with a party-line vote, he believes — and his party will be all right.

"I think the proceeding has been, in everybody's mind, fair, and it's because the Republican majority insisted it be fair, and it was fair in a way that was agreed to by all the Democratic senators," he said.

Mr. Harkin, too, believes the story will end with the parties hunkered down — and that will be fine for his side. "It will be looked upon as an investigation into sexual proclivities and an impeachment that was blatantly political," he said.

POLITICAL NOTES

Reno Edges Closer to Ending Probe of Clinton Fund-Raising

WASHINGTON — Ending an inquiry that has haunted her for months, Attorney General Janet Reno has declined to appoint an independent counsel to investigate whether the former White House aide Harold Ickes led to a Senate committee two years ago. The decision represented a significant step toward bringing to a close the Justice Department's long-running inquiry into President Bill Clinton's re-election fund-raising.

With the cloud of potential criminal prosecution lifted after nearly a year of inquiry into whether he testified falsely about his activities on behalf of the Teamsters union, Mr. Ickes said he was "very pleased and very relieved." Mr. Clinton also said he was pleased.

Republicans in Congress had mixed reactions as the Justice Department's campaign finance investigation splintered to a close with about a dozen prosecutions against lower-level campaign fund-raisers. "I don't see how she could determine there wasn't a violation," Representative Christopher Shays, Republican of Connecticut, said. "She was willing to have Judge Starr look into the president's sexual activity, but she has consistently refused to look at something at the very center of the political process."

Senator Fred Thompson, the Tennessee Republican who is chairman of the committee that investigated the Democrats' fund-raising and referred Mr. Ickes's case to the Justice Department, said Ms. Reno's decision would hasten the death of the independent counsel statute. "The demise of the independent counsel law when it expires this year may be the most notable achievement of her tenure," he said. (NYT)

60% Backing for Censure Move

WASHINGTON — Small majorities of Americans oppose the Senate's decisions to continue the impeachment trial of President Bill Clinton and take testimony from witnesses, and while the public remains firmly against removing Mr. Clinton from office, 60 percent said the Senate should censure him for his conduct, according to a new Washington Post poll.

Nearly three in four surveyed said they were concerned the trial will last longer than necessary, with just one in four expressing fear that the Senate will not be able to examine all the important issues.

The poll showed Republicans and Democrats sharply divided on many of the key issues in the impeachment trial. Those partisan divisions help to explain why Republicans have pushed to call witnesses in the face of general disapproval by the public. (WP)

Away From Politics

• A court-martial will begin this week for Captain Richard Ashby, the first of two U.S. Marines facing manslaughter charges after his airplane flew into and severed lift cables over an Italian ski resort a year ago, killing 20. (Reuters)

• New York City hospitals are struggling to manage a widespread flu epidemic that is stretching their emergency rooms and wards to overcapacity and forcing workers to ratchet up the overtime, doctors to cancel some elective surgeries and administrators to air out unused wards for patients who are flowing through the doors. (NYT)

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INTERNATIONAL

Culture Clash in a Tony Town as the Rich Corner a Cemetery's Plots

By Blaine Harden
New York Times Service

EAST HAMPTON, New York — Death has begun to initiate life on the East End of Long Island, where the rich, the gifted and the beautiful gather each summer to calibrate status. The most fashionable place to be dead in the Hamptons is fully booked.

Reservations to rub shoulders for eternity with famous artists and writers like Jackson Pollock and A.J. Liebling are no longer being taken, unless you know the right person.

That would be Courtney Sale Ross, widow of Steven Ross, the entrepreneur who built a family funeral parlor business into Time Warner Inc. When Mr. Ross died of cancer in 1992, his widow bought 110 grave plots, at a cost of \$77,000, at Green River Cemetery in the East Hampton hamlet of Springs. Her expressed purpose: to provide plots for generations of Rosses to come.

Only one deceased person without a reservation has got into Green River in the last eight months. Mrs. Ross gave a plot to the family of Alan Pakula after the award-winning film director died last year in a freak accident on a Long Island highway.

"She just gave the grave site to a friend," said Bert Fields, a lawyer for Mrs. Ross. "I don't think she wants to start giving them out to strangers."

The Ross purchase — a graveyard echo of land grabs that have been rattling the Hamptons for decades — gobbled up about a quarter of the burial space then available in the 3-acre (1.2-hectare), nonprofit, nondenominational cemetery. Since then, all the remaining plots have been sold. Cemetery managers from across the United States describe the size of the Ross purchase as extremely rare.

"Wow, I have never heard of such a thing in such a small cemetery," said Dick Fisher, publicity director at Forest Lawn Memorial Park, the burial complex with more than a half-million graves in the Los Angeles area.

The "Ross Domain," as some here call the family's graveyard spread, has become a symbol of how the Hamptons elite, often without meaning to do so, can stir up deep-rooted resentment among locals of lesser means.

"There is animosity," said Deanna Tikkonen, a past president of the Green River Cemetery Association. "People with money are buying up the plots, and they are not leaving anything for the

local people."

Green River Cemetery, created in 1902 as a modest burial ground for families of local fishermen, farmers and tradesmen, ran out of space last year. The cemetery became chic in the years after Pollock, the abstract expressionist painter and longtime resident of Springs, was buried there in 1956.

It took 85 years for the cemetery's original two acres to sell out. But when an extra acre was added in 1987, it was snapped up in just 11 years. Mrs. Ross took by far the largest single slice.

While the East End has many cemeteries with space available, any resident of Springs without a plot already bought must now be buried outside the community, said Freston (Pete) Anderson, the president of the cemetery association.

Intent on unlocking the graveyard again for locals, the cemetery is buying another acre, Mr. Anderson said. He said that cemetery trustees, a group of local volunteers who serve two-year terms, passed a bylaw last fall to limit the purchasing power of the rich.

"The Ross rule," as Mr. Anderson called it, limits any buyer to no more than eight graves.

"This is an old-fashioned local

cemetery," said Mr. Anderson, whose parents and grandparents are buried there. "I think the community really did want to hang the previous trustees who sold so many plots to Mrs. Ross."

Mrs. Ross declined to be interviewed for this article. But her lawyer, Mr. Fields, said she bought so many graves because she had a difficult time selecting an "appropriate burial place" for her husband, and, in the future, "she didn't want anyone in her extended family to go through that anguish."

"Keep in mind they live in East Hampton," he said. "They are not just weekenders."

He added that Mrs. Ross "was not aware she was monopolizing the remaining grave sites and certainly would not want to antagonize anyone at a difficult time."

The purchase of the graves was negotiated by Edward Blier, a Time Warner executive who worked for Mr. Ross for many years. Mr. Blier said Mrs. Ross chose the cemetery because she knew and admired many painters who were buried there.

Mr. Blier, who has owned a home in East Hampton for 39 years, said that reports of class resentment over the cemetery were exaggerated.

"Nobody started a class war out there," he said. "It is a simply wonderful place and was discovered. It is nobody's fault that artistic people have come out, and they have attracted money people. There is a certain inevitability of change anywhere in the world. The art is to manage the change gracefully."

Management of change in the Hamptons is, however, rarely graceful.

In part, that is because there is so much of it to manage. The number of permits last year for new houses in East Hampton jumped 32 percent over the previous year. If the current pace of development continues, the South Fork of Long Island will be "built out" in less than 10 years, according to the Group for the South Fork, a land preservation fund.

There is also the matter of who is being managed and of how rich and litigious many of them are.

Protests over large houses, like the 72,000-square-foot (6,700-square-meter) mansion being built by the industrialist Ira Rennett in Sagaponack, led the neighboring town of East Hampton to pass an ordinance last year that limits new houses to no more than 20,000 square feet.

While squabbles over Hamptons real estate are usually among the rich, the dispute over the Ross purchase at Green River Cemetery tracks a different, and much less publicized, fault line of conflict.

It is the animosity that many working-class residents feel toward the summer people whose expensive cars paralyze traffic and whose indifference to prices has driven up the cost of everything.

Green River Cemetery hardly looks like a Hamptons hangout. Much of it is a lichen-covered conurbation of disordered headstones surrounded by a white rail fence badly in need of paint. The graveyard existed in uncrowded and contented obscurity until several years after Pollock was buried there beneath a 50-ton boulder.

But since then about 30 notable painters and writers have joined Pollock, some with little or no connection to either Springs or East Hampton.

When the writer John O'Hara was buried in the cemetery in 1966, Pollock's widow, Lee Krasner, who was also a celebrated painter and was later buried there, protested. "He's not even a summer rental," according to two biographies of Pollock.

Iraq Snubs UN Review Plan; Radar Sites Bombed

Agence France-Presse

BAGHDAD — Iraq on Sunday branded as "procrustean" a UN Security Council initiative to review its eight-year-old embargo as U.S. and British warplanes targeted air defense sites in the north and south of the country for a second day.

U.S. forces announced that an F-16 fired a missile at an Iraqi radar site north of the city of Mosul in the northern no-fly zone, saying the system "posed a threat" to planes patrolling the area.

In London, the Defense Ministry said British and U.S. warplanes also bombed targets in southern Iraq on Sunday after they "came under threat" from an Iraqi plane in the southern no-fly zone.

The attack came only hours after the Security Council — which had been split over the U.S. and British air strikes on Iraq in December — agreed to convene three review panels on disarmament and long-term weapons monitoring, humanitarian concerns and issues stemming from the 1991 Gulf War

over the Iraqi invasion of Kuwait.

But a leadership meeting headed by President Saddam Hussein was followed by an announcement that Baghdad "was not consulted on the formation of these panels and that's why this measure does not concern us."

The work of the United Nations would "take several months," said a statement carried by the official Iraqi news agency, INA, dismissing the move as "nothing more than procrastination and a prolongation of the unjust embargo."

Largest Air Assault Yet

Dana Priest of The Washington Post reported earlier from Washington:

U.S. warplanes launched the largest assault against Iraq since Operation Desert Fox on Saturday, hurling a dozen missiles against six air defense sites as part of a low-level, sustained air campaign that has become a pillar of U.S. strategy against Mr. Saddam.

The attack, by six Air Force F-15Es

and a Marine EA-6B, hit missile and anti-aircraft artillery near the northern Iraqi city of Mosul after a U.S. plane was illuminated by Iraqi radar, the Pentagon reported.

It fit into a U.S. military plan to batter Iraq's air defense and military communication systems with incremental but repeated strikes considered more acceptable to Arab and European allies than a broader bombing campaign, national security officials explained.

"It's a way of pursuing an objective in a way that everyone's comfortable with," said a senior administration official involved in the decision-making. "You get things done without rocking any boats," the official said. "If we started a broad bombing campaign people would say, 'What provoked this?'"

The low-intensity, high-tech attacks of recent weeks so far have been aimed only at air defense and related targets, whose destruction lowers the risk for U.S. pilots enforcing the no-fly zones in northern and southern Iraq. At the same time, the officials said, the strikes are a tool that the Clinton administration is using in hopes of advancing its goals of containing Iraq and provoking Mr. Saddam's removal from power.

The administration recently added such a "regime change" to its goals in Iraq, but it is not pinning its main hopes on the fractious Iraqi exile groups that have formed the only known opposition so far. As a result, the officials explained, a relentless if low-level air campaign to chip away at Iraq's air

defenses — and thus undermine its leadership — could be useful in encouraging opposition to Mr. Saddam within the military, as well as making patrols over Iraq safer for U.S. pilots.

Besides diplomatic efforts to maintain Iraq's isolation from its Arab neighbors, the post-Desert Fox bombing that began Dec. 28 has been the most concrete element of the administration's policy. It has involved firing or dropping roughly 60 missiles or precision guided bombs on 15 days in the last month, including dozens of 500-pound (220-kilogram) GBU-12 and GBU-15 precision guided bombs and a handful of 2,000-pound AGM-130s.

Just four days after Operation Desert Fox ended in December, Iraq began violating the no-fly zones, which the U.S. unilaterally imposed after the 1991 Gulf War and which Iraq has never recognized. Iraqi aircraft have flown into the off-limits airspace roughly 70 times since Dec. 23.

But unlike the many incursions into the no-fly zones that went unanswered by allied planes over the years, the administration has now decided to respond to the violations in a sustained way by hitting predetermined targets.

Defense officials said about 20 percent of Iraq's strategic air defense system has been destroyed as a result of Operation Desert Fox and subsequent bombing. Pentagon officials have offered little bomb damage assessment for the individual raids since Desert Fox, and it is not known how many Iraqis have died or have been wounded.



Frame makers in Jordan preparing portraits of Crown Prince Abdullah on Sunday as the country prepares for him as deputy for the ailing king.

KOSOVO: Rebel Reaction to NATO Is Cool

Continued from Page 1

Demaci, who has connections to the Albanian rebels of the Kosovo Liberation Army.

Mr. Cook told them to go to France prepared to negotiate and to reach an interim settlement that will let Kosovo run its own affairs, but not give it independence.

Kosovo's future status would be determined after three years.

Serbian officials close to Mr. Milosevic said he was very likely to send a delegation to the talks. He would not go there himself, but instead would probably send President Milan Milutinovic of Serbia, a Milosevic loyalist.

Mr. Milosevic is said by these officials to resent the pressure of the West to sacrifice Serbian sovereignty over Kosovo, which was the heart of the Serbs' medieval empire and is the cradle of Serbian nationalism.

He was said to fear that he could be arrested on a secret indictment for war crimes charges if he left Belgrade now.

Mr. Milosevic is widely considered the main architect of the Bosnian Serbs' aggression during the bloody and cruel 1992-95 war in Bosnia.

The Serbian officials, insisting on anonymity, said that Mr. Milosevic was likely to concede only when pressed

very strongly by NATO and its bomb threats, so he can explain his concessions to his people without paying a significant political price.

The same officials noted that Kosovo is a political and financial drain for Belgrade, and if NATO is willing to take responsibility for restraining the rebels and keeping Kosovo from independence for three years, Mr. Milosevic may see that as an advantage.

This would be especially true if he can also win a lifting of harsh economic sanctions against Belgrade.

Deputy Prime Minister Vuk Draskovic said in an interview, "There is no reason for us to say 'no' now."

Mr. Draskovic said he favored a negotiated solution, but with these preconditions:

"No independent Kosovo, no 'greater Albania' and no equal status for Kosovo as a third republic within Yugoslavia — that is a secret name for an independent Kosovo."

It is also important, Mr. Draskovic insisted, to guarantee equal rights to all citizens of Kosovo, including the minority Serbs, who make up about 10 percent of the 2 million but currently run all Kosovo affairs.

There should also be no independent state institutions set up by the ethnic Albanians, Mr. Draskovic said.

HEARING: Baby Boomers Are Afflicted

Continued from Page 1

watercraft, power tools, even vacuum cleaners. These devices produce decibel levels that can be dangerous to the ears over time.

For the estimated 28 million Americans with a hearing loss, noise is a leading cause, experts say. Once that would have traced back to the machinery din of mills and factories, but federal regulations have helped protect workers in industrial settings.

Now the hours away from work are more of the problem.

Dick Melia, of Arlington, Virginia, never paid much attention to how annoying the lawn mower or tools were that summer during graduate school when he worked for a contractor. The same goes for the civil rights demonstrations he participated in during the 1960s, and later, the pro basketball games at which he cheered. He would leave the arena with his ears ringing.

But during his 40s, he noticed other things: how he would replay his voice mail several times to get all of a message, how he would react to keep up in discussions, wondering what words he had missed.

Then, one night at his office, a fire broke out. The alarm went off. "I never heard it," Mr. Melia recounted.

His procrastination ended. At 50, he got hearing aids. "There is a problem of

stigma," said Mr. Melia, who directs disability and rehabilitation research in the U.S. Department of Education. "There is something about hearing aids and the way society over the years has characterized hearing loss."

For one, the subject is freighted with fears about growing old. But some scientists and audiologists question whether diminished hearing is an unavoidable consequence of aging, or rather the cumulative assault of a cacophonous world.

Both loud, sustained sound and extreme, sudden sound can damage and ultimately destroy the delicate hair cells in the inner ear that translate sound waves into nerve impulses. High-frequency sounds are usually the first casualty — consonants such as s and f and children's and women's voices.

Despite many people's refusal to admit they need help, sales of hearing aids are booming. Nearly 2 million were purchased last year, almost 25 percent more than in 1996, at a cost of \$600 to \$3,100 each.

One buyer in 1997 was President Bill Clinton, who attributed his situation to an adolescence spent playing in school bands and rocking at concerts.

According to staff members, Mr. Clinton wears his hearing aids sporadically. He is most likely to insert them for ceremonies or political gatherings, where he finds it harder to distinguish sounds.

U.S. Fears for Mideast After King Hussein Goes

By Philip Shenon
New York Times Service

WASHINGTON — With King Hussein of Jordan gravely ill with cancer in a hospital in Minnesota, senior Clinton administration officials say they are alarmed at the prospect of pursuing a comprehensive peace in the Middle East without the Arab leader widely seen as most committed to the goal.

American officials had hoped that the king's decision to return home this month after six months of cancer treatment at the Mayo Clinic was a sign that his health had improved, and that he might remain on the throne for at least a few more years.

But those hopes were dashed when the king's doctors announced a relapse of his lymphatic cancer.

The frail, painfully gaunt 63-year-old monarch returned immediately to the United States, but not before dismissing his brother as heir and naming instead his 36-year-old eldest son.

The palace intrigue shocked Jordanians and many foreign leaders, who had come to take the country's political stability for granted.

[King Hussein completed chemotherapy Saturday and will undergo bone marrow transplants on Tuesday and Wednesday in an effort to achieve a more successful remission of cancer, Reuters reported, quoting his personal physician.]

"The importance of King Hussein to Jordan and to the region can hardly be overstated," Samuel Berger, the national security adviser, said in an interview.

"This is someone of enormous integrity and courage who believes deeply in broadening the peace process, and who has been prepared to take risks for that — political and personal."

Another senior administration official said: "King Hussein has led his country for almost half a century, most of that time as a good friend of the United States and a vital proponent of Middle East peace. And it's strange and frightening to think of the peace process without him."

The king's illness has complicated the peace effort by unsettling Israel's political and military leaders as their negotiations with the Palestinians are gridlocked and as Israel prepares for national elections.

Despite Jordan's humiliating defeat in the 1967 war, when the Israelis captured East Jerusalem and the West Bank, the king has been that rare thing for Israel in recent years: a reliable friend in the Arab world.

Since offending Arab neighbors by signing a peace agreement with Israel in 1994, he has done more than any other Arab leader to help lift Israel from its pariah status.

President Bill Clinton was desperate last October to avoid breakdown of a summit meeting in Maryland between Prime Minister Benjamin Netanyahu of Israel and Yasser Arafat, the Palestinian leader. So he asked King Hussein to leave his hospital bed in Minnesota and join in the negotiations. In announcing an interim peace agreement three days later, Mr. Clinton said the king was "at the heart of this success."

The king, who came to power in 1952, when he was only 16, has brought Jordan prominence all out of proportion to its size and economic and military might. With a population of 4 million, Jordan is an impoverished, largely landlocked, resource-poor nation surrounded by oil-rich neighbors — some threatening, notably Iraq to the east.

Clinton administration officials and scholars who have studied Jordan say they are convinced that Crown Prince Abdullah is committed to the policies of his father, especially his commitment to a comprehensive peace in the Middle East.

"Abdullah and the other children have been raised by a father who has for his entire life been committed to peace," said Judith Kipper, a Middle East specialist at the Council on Foreign Relations who knows the king and his family well. "I don't think Abdullah wanted power. I don't think he really expected it. But he is absolutely prepared for it."

Mr. Berger shared Ms. Kipper's appraisal of Prince Abdullah, who was educated in part at Georgetown University in Washington.

Prince Abdullah, who has spent his career in the military, has little background in politics or economics.

AIDS: Virus Is Traced to Chimp Subspecies

Continued from Page 1

other scientists said.

Although there have long been clues that HIV-1 came from chimpanzees, how to document the link has been one of the biggest mysteries in AIDS. But, as exciting as the discovery is to the scientists, their enthusiasm has been dampened by another discovery: the subspecies is being slaughtered to "the brink of extinction" in its natural habitat in West and Central Africa, Dr. Hahn said.

The researcher is now leading efforts to publicize the scientific dangers that she believes would result from the chimpanzee's extinction.

Dr. Anthony Fauci, the head of the U.S. National Institute of Allergy and Infectious Diseases, said Dr. Hahn's study was "important and quite an interesting advance" and opened a new avenue of research.

Dr. Fauci said in an interview that his institute would finance research on the simian virus.

One aim will be to determine whether the different outcomes of infection in humans and chimpanzees result from tiny changes in the genetic makeup of the virus or the host. Another aim will be to understand why the chimpanzee's immune system appears to resist the damaging effects of the AIDS virus while the human's is susceptible.

Dr. Harold Jaffe and Dr. Thomas Folks, two leading AIDS researchers at the Centers for Disease Control and Prevention, said in interviews in Atlanta that determining the source of the AIDS virus might also help scientists learn how to identify novel microbes earlier and thus prevent similar diseases from

becoming epidemic.

Since the recognition of AIDS in 1981, Dr. Jaffe said, scientists have asked, "If this kind of transmission happened in the past, is it continuing to go on?"

The latest findings might lead to new tests to discover viruses in nature that could cause human disease. As people disturb more and more animal habitats around the world, scientists say, there is a growing risk that they will be exposed to previously unknown disease agents.

Transplanting animal organs into humans, should it come into wider use, would also be an avenue for infection.

"That is everyone's nightmare, that there is another virus out there that either could be or has been transmitted to humans that we cannot detect with current methods," Dr. Jaffe said. "No one wants to miss detecting the next HIV epidemic."

Dr. Hahn, whose paper is due to be published in this week's issue of the journal Nature, said, "My research interest for the last 10 years has been the origin and evolution of this entire class of viruses, not just the human viruses but also the primate cousins."

Modern laboratory techniques make it possible to draw conclusions from genetic maps developed from a small number of chimpanzees.

Nevertheless, the number of naturally infected chimpanzees in captivity is too small and does not permit studies of how many chimpanzees are infected in the wild and how the virus is transmitted.

Presumably, transmission occurs through sexual intercourse, as in humans. Proof will require studies in nature.

Precisely why the AIDS epidemic came when it did was not known.

STARR: Independent Counsel May Indict Clinton, Aides Say

Continued from Page 1

who have written or spoken on the subject have said that a trial would have to wait until the president had left office.

Lawyers in Mr. Starr's office have been poring over the record of debates within the office of Leon Jaworski, the Watergate special prosecutor, over whether to indict President Richard Nixon, both before and after Mr. Nixon resigned the presidency in 1974, the associates said. To do that, they said Mr. Starr's lawyers scoured autobiographies, including Mr. Jaworski's, and obtained copies of prosecution memoranda in the National Archives.

These discussions in Mr. Starr's office came at a highly sensitive time. Several Senate votes on procedural issues last week made it all but certain that the Senate would not muster the two-thirds majority, 67 votes, required to convict Mr. Clinton on two articles of impeachment and remove him from office.

Mr. Starr and his prosecutors have had no communications with the House managers or the White House about the

possibility of including the president's future criminal jeopardy in negotiations over a censure of the president, the associates said.

Charles Bakaly III, the spokesman for Mr. Starr, declined to comment. "We will not discuss the plans of this office or the plans of the grand jury in any way, shape or form," he said.

As recently as last week, the president's lawyers argued in the Senate trial that they were deeply concerned that the Office of Independent Counsel would seek to indict Mr. Clinton after his term expired Jan. 20, 2001.

David Kendall, one of the president's personal lawyers, has demanded that House managers provide access to about 55,000 pages of unreleased documents compiled by Mr. Starr that they said Mr. Clinton would need to defend himself against a criminal indictment.

Mr. Kendall also threatened to seek testimony from witnesses in the Senate trial to explore what he says was improper collusion between Mrs. Jones's lawyers and Mr. Starr's prosecutors in late 1997. Mr. Bakaly denied that there

was collusion between his office and Mrs. Jones's lawyers.

Mr. Starr's associates said that the independent counsel had several options. He could choose not to seek an indictment of Mr. Clinton, they said, or he could decide to seek the indictment after Mr. Clinton's term expired.

Another option that has been discussed is seeking an indictment but asking a judge to keep it under seal, meaning it would remain secret for some time. If Mr. Starr chose to postpone a trial of the president until after he left office, this would keep the charges secret and spare the president the indignity of trying to lead the country while under the cloud of a public indictment.

A fourth option would be to indict Mr. Clinton while he is in office but ask the court to postpone a trial until after he had left office.

Mr. Starr's associates said that neither the outcome of the Senate trial nor the public's wishes expressed in opinion polls would affect his decision. "Prosecutors do not take polls to decide what to do," another associate said.

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EUROPE

Amid Russia's Show of Reform, Another Treason Trial Stirs Concern

By Michael R. Gordon
New York Times Service

VLADIVOSTOK, Russia — In handcuffs, Grigori Pasko was rushed past a small knot of fellow reporters who gathered outside the military courtroom, hoping to observe his trial. "We will fight!" he shouted defiantly, as two policemen hauled him away.

Then the courtroom doors slammed shut. Journalists were shooed away. In a scene reminiscent of trials of dissidents in the old Soviet Union, one of the new Russia's most notorious treason trials was under way.

After reporting about the dumping of military waste at sea, the 37-year-old captain and military correspondent has been charged with disclosing some of the state's most sensitive secrets. Denied bail, he has already spent 14 months in a tuberculosis-infested prison. If convicted, he could stay in jail for another 20 years.

On the surface, Russia is a raucous democracy. Politics is a verbal slugfest. The constitution guarantees free expression. Periodicals and broadcasting outlets produce a cacophony of clashing opinions and vested interests.

But there are still limits on free speech, especially where the military is concerned.

Mr. Pasko has emerged as the vivid test of Russia's still unfinished struggle

to overcome the legacy of official secrecy, late-night searches and whimsical persecutions.

His trial comes against the backdrop of the arrest in St. Petersburg of Alexander Nikitin, a retired navy officer who researched radioactive contamination caused by Russia's Northern Fleet.

A navy journalist who reported the dumping of military wastes is charged with divulging secrets, 'a test of whether there is really freedom of speech in Russia.'

But this drama in Vladivostok is being played out more than 8,000 kilometers (5,000 miles) from the media glare of Moscow, and features unrepentant former KGB officials and the raw politics of Russia's Far East.

A closed city in Soviet times, off limits to foreigners or to Soviet citizens without special permission, Vladivostok is now an open port, a neighbor to China, Japan and the two Koreas and it is rife with intrigue.

"This is a test of whether there is really freedom of speech in Russia," said Alexander Tkachenko, head of the Russian PEN Center, which lobbies for free expression in Russia.

A career navy officer with the outward dash of a matinee star, Mr. Pasko was working as a reporter for Boyevaya

Vakhta, meaning Battle Watch, the newspaper of Russia's Pacific Fleet, when he was arrested.

After the collapse of the Soviet Union, Russian leaders trumpeted the need for a no-holds-barred look at the nation's past. The Russian Navy was dumping weapons and nuclear waste at sea, and Mr. Pasko set out to expose it.

He filmed the environmental abuse and documented it in his newspaper.

Like many cash-strapped Russian journalists, he also freelanced, providing videotapes and other material about environmental abuse to NHK, Japan's largest television network.

In the months before his arrest, Mr. Pasko was receiving about \$300 a month from Japanese news media, his lawyers said.

After NHK broadcast a report on the dumping of military waste, Russian authorities began to take a closer look at Mr. Pasko.

"When he began to deal with the problem of radioactive waste, he constantly felt the FSB was stepping on his heels," Mr. Pasko's wife, Galina Morozova, recalled in an interview, referring

to the Federal Security Agency, successor to the KGB.

When Mr. Pasko left for a business trip to Japan in November 1997, customs officials seized some of his documents. When he returned, he was arrested at the Vladivostok airport and charged with selling secret information.

That night, the Federal Security Agency raided his modest apartment and confiscated his computer, fax machine and the family's car.

"When glasnost began, there was a brief period when it seemed there could be complete freedom of speech," Galina Morozova said, referring to the greater openness allowed in Russia under Mikhail Gorbachev in the early 1990s. "But the security organizations did not disappear and gradually the screws began to tighten again. Grigori did not notice that moment when the policy began to shift in the opposite direction."

Nikolai Satskov, a senior Federal Security Agency official for the Pacific Fleet, told a Vladivostok newspaper that the basic strategy was to try Mr. Pasko as an officer who had divulged secrets, not as a journalist who had uncovered an environmental scandal.

Mr. Pasko's lawyers say the arrest may have little to do with reports on the navy's nuclear waste dumping. Rather, they speculate, it may be an attempt to stifle the reporter after he began to in-

quire into the alleged theft by local officials of Japanese aid for processing radioactive waste.

The specific charges in the 10-point indictment against Mr. Pasko are classified. His guilt or innocence will be announced following a closed trial by the judge of the military court and two

officers in the border guards who serve as lay judges. In the similar case of Mr. Nikitin, the Norwegian environment organization Bellona, which Mr. Nikitin supplied with information, lobbied hard on his behalf. Although he has yet to be formally acquitted, he was released on bail after 10 months.



A FAMILY VALUES DAY — Some of the 100,000 or more demonstrators who marched in Paris on Sunday to protest government-backed legislation that would give legal status to unmarried couples.

Tory Is Suspended Over Bag's Contents

LONDON — The Conservative Party suspended a senior member of the European Parliament from its Strasbourg group Sunday after airport security officers found cannabis and an explicit gay sex video in his suitcase.

Tom Spencer, chairman of the Parliament's Foreign Affairs Committee, paid an on-the-spot fine of £550 (\$905) to customs authorities after the bag was opened at London's Heathrow Airport when he returned Tuesday from France.

A spokesman for the opposition Conservatives said the party endorsement had been taken away, at least temporarily, "in the light of press reports in the last 24 hours." The party chairman, Michael Ancram, will ask the Conservatives' management board Monday to order an inquiry, he added.

Mont Blanc Rescue

CHAMONIX, France — Rescue workers plucked two British mountaineers Sunday from a flank of

Mont Blanc, where they had been stuck for four days. Both climbers were suffering from hypothermia, the authorities said, with one in serious condition.

A third Briton died Sunday from injuries suffered in an avalanche the day before while he was snowboarding near the Alpe d'Huez ski station.

Both incidents were the result of high winds and heavy snowfall, the authorities said.

Ex-IRA Man Seized

BELFAST — A prominent former IRA bombmaker was kidnapped Sunday, hours after reports were published that he feared Irish Republican Army members were gunning for him.

Paddy Fox, 29, spent five years in prison after being caught with a 1,000-pound (450-kilogram) van bomb in 1991. He opposed the IRA's 1997 cease-fire and the decision last year by the group's Sinn Féin political wing to accept a peace accord.

The abduction was apparently the latest in an accelerated campaign of IRA attacks on dissidents. Eamon Collins, a former intelligence officer who turned against the organization, was stabbed to death last week. (AP)

Azerbaijan, Alone With Much Oil, Wants U.S. Base

By Stephen Kinzer
New York Times Service

ISTANBUL — With foreign powers competing for influence in the soon-to-be-rich oil nations surrounding the Caspian Sea, Azerbaijan — potentially the richest of them — has made a startling offer — it wants the United States to open a military base on Azerbaijani territory.

The offer could give the United States its first permanent military presence in the former Soviet Union. Even if the base does not come about, the offer suggests that Azerbaijan, where U.S. oil companies have invested billions of dollars, is eager for a U.S. military partnership.

In addition to giving the United States greater influence in the Caspian region, any such partnership might draw the United States into alliances with undemocratic governments.

Azerbaijan's autocratic president, Heydar Aliyev, returned home Saturday

after 13 days in a Turkish military hospital, where he was treated for what was described as acute bronchitis. In his absence, his chief foreign affairs adviser, Vafa Guluzade, has given interviews asserting that Azerbaijan wanted a military protector.

Mr. Guluzade said he was prompted by evidence that Russia was sending advanced weapons to Armenia, Azerbaijan's neighbor and historic foe. According to Western intelligence agencies, the shipments include MiG-29 fighters as well as the S-300 radar and anti-aircraft system.

"Azerbaijan is under a big threat from Russia," Mr. Guluzade said in an interview. "They are waiting to use the Turkish and American military bases would be welcomed here. I'm not saying they will be here in 20 minutes, but they will come."

American officials have not received a formal request for the opening of a base in Azerbaijan. It may come when

President Aliyev visits Washington later this year.

The initial U.S. response might be described as intrigued but cautious.

"A real American base in Azerbaijan is impractical, especially since there's no direct threat to American interests there or any active enemy to defend against," said a military planner. "If they were to request military assistance or military advisers, that would be a different thing."

"There would even be the possibility of taking over an old Soviet base and using it as a joint American and Azerbaijani facility. If anything is going to be done out there, that would probably be the way to go."

This would be a formula similar to that for basing U.S. troops and military aircraft in Turkey. The largest contingent of Americans in the region is at Incirlik in the south, but officially that is a Turkish base.

Russia considers the Caucasus region as its sphere of influence. It has troops in

both Armenia and Georgia and resents Azerbaijan's unwillingness to accept them. Russian leaders are also seeking to persuade Azerbaijan to export the bulk of its oil through a pipeline across Russian territory rather than choosing a route across Turkey, as is favored by the United States.

Since the collapse of the Soviet Union, the hostility between Armenia and Azerbaijan has broken into the open.

Russia and Armenia supported a successful uprising by ethnic Armenians in the Azerbaijani enclave of Nagorno-Karabakh in the early 1990s, and the enclave is still controlled by ethnic Armenians. No real progress has been made on settling that dispute.

Even before the surprise offer from Azerbaijan, some experts on Caspian politics expressed unease at the close ties that are emerging between Washington and Caspian area governments, most of which have been widely criticized for corruption and lack of democracy and respect for human rights.

ery's Plots

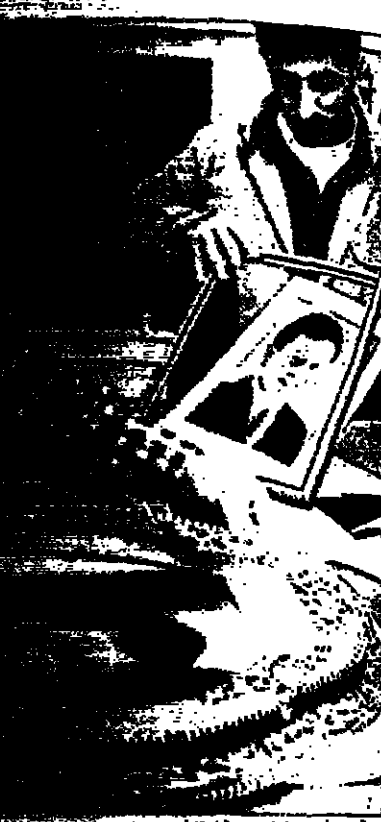
While squabbles over Hampton's real estate are usually among the rich, the dispute over the Ross purchase at the Green River Cemetery tracks a different, and much less publicized, fault line of conflict.

It is the animosity that many working-class residents feel toward the summer people whose expensive cars parade through the streets and whose indifference to the poor has driven up the cost of everything.

Green River Cemetery hardly looks like a Hampton hangout. Much of it is a lush, wooded conurbation of discarded automobiles, surrounded by a white rail fence badly in need of paint. The graveyard existed in uncrowded and somewhat obscurity until several years after Pollock was buried there, beneath a 50-ton boulder.

But since then about 30 notable writers and artists have joined Pollock, some with little or no connection to the Springs or East Hampton.

Among the writer John O'Hara was buried in the cemetery in 1966. Pollock's widow, Lee Krasner, who was a celebrated painter and was later married to Pollock, protested, "He's not even a resident," according to two residents of Pollock.



King of Crown Prince Abdullah — The prince is the deputy for the ailing king.

Mid-east Hussein Goes

King Hussein of Jordan has a reputation of enormous integrity and courage who believes deeply in the peace process, and who is prepared to take risks for that.

King Hussein has led his country almost half a century, most of it as a good friend of the United States and a vital proponent of the peace process. And it's strange and hard to think of the peace process as a failure.

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Yes, it's only a vision. But what if it came true? Heart and circulatory diseases are still the major cause of death. That's why the scientists at Hoechst Marion Roussel, our pharmaceutical company, are putting their hearts into research and development to find new ways of improving the lives of cardiac patients. So that some day the only cure necessary for an aching heart will be a smile on the face of a loved one.

Imagine lovesickness being the only thing that can cause a heartache.



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ASIA/PACIFIC

BRIEFLY

India and U.S. Gain
On Nuclear Accord

NEW DELHI — India and the United States emerged upbeat on Sunday from three days of talks on nuclear nonproliferation, though there was no sign of a breakthrough on specific issues.

"The delegations believe progress was made in several of the subjects under discussion and remain committed to achieving more progress in the weeks ahead," a joint statement read.

It was the eighth round of bilateral talks since India conducted nuclear weapons tests last May.

President Bill Clinton and Prime Minister Atal Behari Vajpayee spoke by phone Friday, and the talks were extended for one day, fueling speculation that some reconciliation of Indian security interests and U.S. nonproliferation concerns was in the cards. (Reuters)

Taiwan Might Allow
Cruises to Mainland

TAIPEI — Taiwanese could begin traveling to China by ship in May under a Transportation Ministry plan

that would skirt a half-century-long ban on direct links between the two sides, a newspaper reported Sunday.

Under the ministry's plan, Taiwanese could sail from Taiwan ports to China's Meizhou Island, the China Times Express reported.

Ships would have to make an intermediate stop, most likely at Japan's Ishigaki Island, about 250 kilometers (155 miles) east of Taiwan. Only foreign vessels would be permitted to sail the route. (AP)

Sri Lanka Fighting
Escalates in North

COLOMBO — Soldiers killed at least 31 Tamil Tiger guerrillas in northeastern Sri Lanka in a surge in the country's protracted civil war, military officials said Sunday.

The heaviest casualties occurred in Jaffna, about 300 kilometers north of Colombo, where troops killed at least 17 guerrillas Saturday, the officials said on condition of anonymity.

In Batticaloa, 215 kilometers east of Colombo, troops killed at least nine rebels Saturday, military officials said. Also on Saturday, government forces killed five guerrillas near the town of Mankulam, 250 kilometers north of Colombo. (AP)

Japanese Town Fights Cult With Trench Warfare

By Kevin Sullivan
Washington Post Service

KITAMIMAKI, Japan — Eighty village searries stood around three huge bonfires as spotlights illuminated the vacant house they have held under siege since last month, when they discovered it was owned by the Aum Shinrikyo doomsday cult.

First, they dug a ditch 2.4 meters (eight feet) deep, all around the house. Then they strung twin barbed-wire fences and installed around-the-clock video surveillance cameras and high-pressure fire hoses to blast away any cultists who might try to claim the place.

They rigged up an elaborate system of pulleys able to raise a web of ropes over the property to thwart cultists in helicopters trying to land in the yard. Then they set up a command center with phones, faxes and radios in an empty factory next door, moved 10 families out of village-owned housing across the lane and padlocked the neighborhood preschool, pinned yellow ribbons on their down parkas and established themselves as what is surely Japan's first anti-terrorist posse of citizen vigilantes.

"Without this kind of cooperation and direct action by everybody, it would be impossible to stop them," said Masanori Kobayashi, 57, sitting next to a crackling bonfire.

Aum Shinrikyo has been probably the most hated group in Japan since 1995, when its guru, Shoko Asahara, allegedly ordered a poison gas attack on the Tokyo subway system that killed a dozen people and sickened thousands. The cult is accused of several other poison gas attacks, murders, disappearances and other mayhem that together constitute modern Japan's most notorious crime spree.

Almost four years later, the police say, the cult has at least 1,000 members and continues to recruit followers and amass wealth through various businesses. The cult remains on terrorist watch lists in Tokyo and Washington. Experts in chemical and biological weapons said the sect, which once claimed 10,000 members and a fortune of \$300 million or more, represents a terrifying new breed of terrorist.

But the anti-Aum Shinrikyo uprising in this hamlet of 5,500 almost 150 kilometers west of Tokyo is unprecedented in Japan, where most people shun direct confrontation. The farmers and salaried workers of Kitamimaki have been

boldly decisive. Upwards of 10,000 people from this and surrounding towns have taken part in the siege, providing heavy equipment to dig the ditches, wood for the bonfires, food and sake for the 24-hour guards, and futons and kerosene heaters for the makeshift barracks that serve as headquarters.

"We even surprised ourselves," said Akiko Yoda, who joined 10 other women in the command center factory, serving hot tea, pickles, peanuts and oranges to the siege forces.

Ms. Yoda said the siege had brought villagers closer together in an age when rural life is disappearing and traditional community ties are increasingly giving way to urban anonymity. "Even in these rural areas, people's lives are so individualized and separated," she said. "This has united us."

Residents of Kitamimaki took note of the big house in the middle of town in mid-November, when the new owners erected a 3.5-meter-high aluminum wall. It was so out of place in the middle of the rolling potato fields that town authorities

hired a private investigator to check it out.

They discovered that the law firm listed as owning the property had close ties to Aum Shinrikyo. Since then there has been a suit and a countersuit. A hearing is scheduled, and villagers say they will continue their blockade of the property until Aum Shinrikyo sells the property back to the previous owner.

This being Japan, even mass expressions of rage have limits. Asked why the villagers did not simply occupy the house and hold it hostage, Kanya Yamoto, 73, said, "That's against the law; we can't enter another person's house."

The ditches, barbed wire, surveillance and other tools of the siege are all on private land just beyond the Aum Shinrikyo house's property line. And a flier passed out to all villagers urged them to refrain from violence.

"They are not a religious group, they are terrorists," said Masayoshi Mizushima, a councilman and siege leader. "We will never let them in here, and we will fight them by any means."

UN Sees Huge Famine in North Korea

By Michael Laris
Washington Post Service

BEIJING — The continuing famine in North Korea is comparable in scale to the Ethiopian famine of the mid-1980s, and large-scale foreign assistance will be needed for at least three years to turn the situation around, a United Nations aid coordinator said over the weekend after arriving from Pyongyang.

The official, David Morton, chief of the UN World Food Program in North Korea, said the food disaster had produced a generation of stunted and dramatically underweight children and had forced scores of adults to leave their jobs in search of nourishment.

His comments echoed the results of a nationwide nutritional survey conducted last year by international aid donors

that found that 62 percent of children under age 7 in the Stalinist nation have stunted growth and that large numbers face mental development problems.

Food shortages began in 1995 following decades of inefficient agricultural practices, reductions in aid from Russia and China and a series of droughts and floods.

Mr. Morton refused to provide any figures on the numbers of people who had died during the famine. But a U.S. congressional delegation that visited North Korea last summer said 300,000 to 800,000 people were dying annually from hunger or starvation-related sicknesses in the nation of 23 million. More than 1 million people died in the Ethiopian famine.

Poor health care, unsanitary conditions and contaminated water further

threaten North Korea's children, Mr. Morton said. "When they are short of food, they tend to go out searching for alternative sources, and this can give them diarrhea, and in their weakened condition, this can very quickly put them over the brink," he said.

Among the "alternative food" products widely consumed in North Korea are grasses and cornstarch.

The World Food Program has appealed for 530,000 tons of food aid worth \$245 million this year. Japan suspended food aid to North Korea after North Korea fired a rocket over Japanese territory last year. In addition, relations with the United States, which in 1998 was the country's largest food donor, have been rocky because of U.S. concerns over the North Korean government's nuclear program and sales of missile technology.

Judge Refuses to Dismiss Case Against Anwar

The Associated Press

KUALA LUMPUR — The judge in the sex and corruption trial of Malaysia's ousted deputy prime minister refused over the weekend to throw out the case.

High Court Judge Augustine Paul said Saturday that there was enough evidence to justify prosecution and ordered attorneys for former Deputy Prime Minister Anwar Ibrahim to present a defense.

Judge Paul gave defense attorneys one week to prepare, although they had

asked for two, and said the trial would resume next Monday.

Raja Aziz Addruse, the defense attorney, said Mr. Anwar himself would be the first witness to take the stand for the defense.

"I've received instructions from my client," he said. "He'll be giving evidence from the witness box on oath."

Mr. Anwar, with his back to the public gallery, made a victory sign with his right hand behind his back. Judge Paul had not been expected to dismiss the case, as he has repeatedly ruled against

and criticized the defense team.

About 1,000 supporters of Mr. Anwar crowded around the courthouse and shouted political reform slogans as well as demands for Prime Minister Mahathir bin Muhammad to step down.

They booed loudly as Judge Paul drove from the courthouse, and they vowed to hold more protests.

Activists shouting "Long Live Anwar" and "Mahathir Resign" gathered in Kuala Lumpur's main shopping district. Riot police chased away nearly 200 people, but there was no violence.

BOOKS

LOST AT SEA

By Patrick Dillon. 264 pages.
\$23.95. Dial.

Reviewed by Sudip Bose

ON a cold February morning in 1983, the *Americus* and the *Altair*, two crabbing vessels based in Anacortes, Washington, disappeared in the Bering Sea. All 14 crew members, most of them under the age of 25, perished.

To the residents of sleepy Anacortes, tragedy on the high seas was a matter of fatalistic fact: When men venture into unforgiving waters, there is always a chance they may not come back. But the *Americus* and the *Altair* were no ordinary boats. Loaded with cutting-edge technology and built for efficiency and stability, these mammoth vessels had seemed invincible.

But sink they did. "Lost at Sea," Patrick Dillon's crisp piece of reporting, explains how. It is a meticulously detailed narrative, pieced together with the deft touch of a suspense writer — a fine accomplishment given that you know the disastrous fate of the two boats before even getting to page one.

In the halcyon days of the commercial fishing industry, Anacortes fishermen worked locally, in the waters off the coast of northwestern

Washington, which served up bountiful harvests of salmon, shrimp and crab. Together, fathers and sons plied the waters of Puget Sound, ever mindful of the sea's devastating potential. But soon these local waters were fished out, and the demand for crab found in abundance in the waters off the Alaskan coast — the scene of "some of the most violent atmospheric and oceanographic riots occurring on earth," as lured fishermen north.

Armed with the latest technology, savvy boat owners built bigger, more efficient boats, able to venture into more distant and tumultuous seas. The *Americus* and the *Altair*, constructed in the 1970s by the entrepreneur Jeff Hendricks, were two such boats, part of "one of the most profitable and respected fleets in the Pacific Northwest."

These new vessels attracted a new generation of fishermen, younger, less experienced. And though fishing in the Bering Sea was a risky way to live, it became seductively lucrative. An opportunistic young crewman could come away with as much as \$100,000 after the grueling three-month season at sea.

By the early 1980s, the billion-dollar commercial fishing industry had become the most hazardous enterprise in America. And no wonder. Sixty-mile-per-hour winds, waves

soaring six stories high, merciless ice storms — all were daily fare in the Bering Sea, and all stood in the way of "the richest fishery left on earth." In the winter of 1974, one of Hendricks's crabbing vessels, the *Alyeska*, made its maiden voyage to the region and encountered a fierce storm. "Huge ocean swells — the size of mountains," it seemed — carried the boat high in the air," Dillon writes. "Suspended at the peak of each wave, with both the bow and the stern out of the water and the propeller churning nothing but air, the entire boat vibrated violently until it crashed down the slope of the wave and buried its bow in the rolling green seas." Here was a state-of-the-art colossus of a boat being battered around like a bathtub toy.

This passage reminds me of the grandeur of Psalm 107, which sings of the heroic seafarers of antiquity: "They that go down to the sea in ships, that do business in great waters; These see the works of the Lord, and his wonders of the deep." Faced with a "stormy wind, which lifteth up the waves thereof," they "mount up to the heaven" and "go down again to the depths: their soul is melted because of trouble." The 20th-century crew members of the *Alyeska*, and those of the ill-fated *Americus* and *Altair*, were no less at the mercy of the seas than were the ancient mariners described

by the psalmist. We should not let Olympian vessels, fancy technology, even thousands of years of seafaring knowledge deceive us: When the sea decides to play rough, man can do little to quell its elemental fury.

After the *Americus* and *Altair* capsized, the Coast Guard and the National Transportation Safety Board launched a two-year investigation of the disaster, attracting widespread attention to "the nation's most dangerous unregulated occupation." Safety advocates began clamoring for comprehensive regulation of the industry — much to the dismay of Anacortes's insular community, whose fishermen wanted desperately to keep the federal government out of their wheelhouses.

Death was a part of their lives. They accepted that. What business was it of Washington bureaucrats to tell them how to steer their ships? In the end — after more deaths — legislation setting new safety standards for fishing vessels was enacted. As a result, deaths at sea have dramatically dropped in the 1990s, and yet fishing continues to be big business in the Pacific Northwest. Safety and prosperity, after all, need not be mutually exclusive.

Sudip Bose, associate editor of *Preservation* magazine, wrote this for *The Washington Post*.

BRIDGE

By Alan Truscott

AN American partnership triumphed in the Cap Gemini World Top tournament in The Hague. David Berkowitz of Old Tappan, New Jersey, and Larry Cohen of Boca Raton, Florida, outdistanced a field consisting largely of world champions and were assured of victory before the final session of play began.

In the most dramatic deal of the tournament, shown in the diagram, one player had a lot of explaining to his partner in the postmortem. North and South were Zia Mahmood of Manhattan and Tony Forrester of Britain, who were attempting to retain the title they had won a year earlier. Slam contracts were reached at several tables, and the result depended on which player became the declarer. When East was on lead, he cashed two quick club winners.

Zia's three no-trump bid suggested a strong hand with a heart stopper, but his diamond suit was a concealed

asset. He attempted to remedy this with an unexpected leap to six diamonds. That was due to fail by one trick. South retreated to six no-trump, a rather strange choice, and that was due to fail by two tricks or four tricks, depending on the ability of the defenders to disentangle the clubs.

But East came to the rescue with a double, and South knew exactly what that meant. He now regretted his six no-trump bid and beat a retreat to seven spades. The East player, Alain Levy of France, who has won world titles, now felt guilty. Would another double be lighter, asking for a non-heart lead? And if so, would West know which minor suit to lead? He chose to pass, and his partner led the heart king.

Forrester happily claimed 13 tricks, making a giant profit at imp scoring. He would have lost heavily if West had led a club, but that player was not at fault. He could not know that a club was the winning choice, and it could have been fatal. East had to explain why he had

doubled a contract that he knew he could defeat, and South had driven the opposition into a grand slam that might or might not succeed.

And why had he failed to bid four clubs over three no-trump? That bid would show a heart fit and a desire for a club lead. It was made at another table by Lazzarotti, and his opponents wisely did not attempt a slam.

NORTH			
♠ 4			
♥ A 4			
♦ A Q 10 4 3 2			
♣ 6 5 4			
WEST			
♠ 7			
♥ K Q 10 8 7 6 5			
♦ 8 7			
♣ J 2			
EAST (D)			
♠ 6 5 2			
♥ 9 8 2			
♦ 10			
♣ A K 10 8 7			
SOUTH			
♠ A K Q J 10 9 3			
♥ J			
♦ K 6 5			
♣ 9 3			

Neither side was vulnerable. The bidding:

East	South	West	North
Pass	1♣	3♥	3NT
4♥	4NT	Pass	6♦
Pass	6NT	Pass	Pass
Pass	7♣	Pass	Pass

West led the heart king.

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INTERNATIONAL

NATO Clears Its Decks for Action**Decision Rests With Solana, Pressuring Serbs and Kosovars**By William Drozdiak
Washington Post Service

BRUSSELS — The United States and its NATO allies have escalated pressure on the warring parties in Kosovo by giving Secretary-General Javier Solana the authority to order air strikes against targets anywhere in what remains of Yugoslavia: Serbia and Montenegro.

The gesture was intended to maximize pressure on Serbian authorities in Kosovo, which is a province of Serbia, and the leaders of ethnic Albanians fighting for independence to move quickly toward an interim peace deal or face the wrath of the alliance's firepower.

"NATO stands ready to act," Mr. Solana said Saturday after receiving his new task following a 10-hour emer-

gency meeting of ambassadors from the 16 alliance countries. "We rule out no option to ensure full respect by both sides in Kosovo for the requirements of the international community."

The dramatic step toward NATO intervention in the Serbian-Kosovar conflict is part of an orchestrated drive by the United States, four leading European powers and Russia to push both sides to the bargaining table to work out an interim political settlement within three weeks.

Foreign ministers from the six-nation Contact Group agreed last week in London on a broad autonomy plan that would keep the province within Serbia but grant control of the police, judiciary and other governing functions to the ethnic Albanians, who make up 90 percent of Kosovo's population.

The ministers demanded that

Yugoslav authorities and leaders of the ethnic Albanians must gather by Saturday in Rambouillet, a chateau outside Paris.

They also insisted a final accord must be finished no later than Feb. 19.

Since October, when NATO went to the brink of launching air strikes against Yugoslavia to halt a security crackdown ordered by President Slobodan Milosevic, the United States and its allies have been searching for the optimal way to exert political and military pressure against Belgrade.

But in the wake of a massacre two weeks ago in the village of Racak, when 45 ethnic Albanians were executed by the Serbian police, the United States has stepped up demands for an urgent resolution of a conflict that many experts fear could destabilize much of Southeastern Europe.

Despite the qualms of Russia and some NATO allies about violating the territory of a sovereign nation, the United States has insisted that only the threat of intervention will compel President Milosevic to live up to commitments to remove his security police from Kosovo.

NATO diplomats said there was general unanimity about fortifying the political initiative with the threat of using force. "The idea is to coerce acceptance of the peace initiative with a one-two punch, if necessary," said a senior NATO envoy.

Several European countries, however, remain distinctly uneasy about launching air strikes because they fear a bombing campaign — starting with cruise missile attacks against Serbian anti-aircraft defenses and later including strikes against barracks housing Serbian security forces — would only encourage Kosovo Albanian guerrillas to press their drive for independence.

"We will not allow ourselves to be pushed into serving as the air force of the KLA," a senior European diplomat said. "We have to find ways to maximize pressure on both sides to reach a political settlement."

Mr. Milosevic has repeatedly called NATO's threats on air strikes, counting on opposition in Moscow and nervousness among European countries to thwart the bombing raids.

"The big concern is what comes the day after you start bombing the Serbs," said a senior European diplomat. "Do you then have a situation more amenable to peace? It's rather doubtful."

Primakov Opposes Use of Force

Jonathan Gage of the International Herald Tribune reported from Davos, Switzerland:

Prime Minister Yevgeni Primakov of Russia reiterated in Davos on Sunday that Moscow was opposed to any use of military force against Serbia, a Slavic friend over the centuries.

"We are categorically opposed to using military force in Kosovo," Mr. Primakov said as he attended meetings of the World Economic Forum.

He called any use of military force against Serbian troops "a hopeless way — it will bring no good results."

Any use of ground troops there, he added, "would bring huge losses and lead us nowhere."

"Using NATO force against whom?" Mr. Primakov asked. "Against the Kosovo Liberation Army, which is engaged in terrorist acts? Or against President Milosevic, who sometimes overreacts?"

Mr. Primakov met Saturday in the Swiss resort with the UN secretary-general, Kofi Annan, who, he said, also opposed any violent solution.



A Colombian family left homeless by last week's earthquake collecting their rescued possessions on Sunday.

Homeless Seek Way Out of Ruined City**New Aftershock and More Looting Plague Earthquake Area in Colombia**

Compiled by Our Staff From Dispatches

ARMENIA, Colombia — Thousands of people left homeless by a powerful earthquake boarded buses, pickup trucks and a horse-drawn carriage over the weekend in a scramble to get out of this unruly and increasingly pestilent city.

Many were frustrated with the government's disorganized effort to restore order and deliver relief supplies to areas devastated by the quake last Monday, which killed at least 940 people across Colombia's western coffee-growing region. The quake, with a magnitude of 6.0, flattened hundreds of houses and buildings across five provinces, leaving about 250,000 people homeless, more than half of them in Armenia.

An aftershock of 4.3 magnitude rattled the area Saturday, causing alarm but no reports of damage or injury. It followed an aftershock of 3.9 on Friday.

Despite a combined police and military presence approaching 6,000, looters sacked several more Armenia markets over the weekend, taking furniture, mirrors, fans, mattresses, stoves, computers and other goods. Thirty-seven people were arrested.

At a few stores, the vastly outnumbered police were unable to stop the looting by hungry survivors and instead tried to maintain order to prevent a repeat of violence on Friday, in which angry looters clashed with police.

Police and soldiers threw a tight cordon around the city center, restricting the flow of pedestrians, and at least 200 troops were bivouacked in the main marketplace.

A few stores reopened for the first time since the quake, including a supermarket that was heavily guarded by soldiers with automatic rifles and tear gas launchers.

Colombian rescuers continued sifting through dozens of disaster sites, looking for the hundreds of missing, but some foreign rescue teams went home, convinced that the chances of finding life beneath the ruins had run out. The last time a survivor was pulled from the rubble was Wednesday.

Passersby wore surgical masks and handkerchiefs to ward off the stench of trapped, decaying bodies.

Doctors are watching the situation carefully, fearful of a health crisis. So far, there have been only small outbreaks of stomach and breathing problems.

At Armenia's Eden Airport, residents trying to leave on relief aircraft were stopped by rows of riot policemen. About 50 families with suitcases and boxes had lined up at dawn, lured by rumors of free flights on relief planes that were returning empty to the capital, Bogota.

The air force, which is flying dozens of relief missions daily, said it had taken more than 600 people with relatives in Bogota back to the capital before Saturday. But it stopped flying out other Armenia residents.

Patricia Escobar was trying to evacuate her 3-year-old nephew, who has Down Syndrome. Doctors told her the boy was vulnerable to infections from the fetid air blanketing Armenia, which has not had running water since Monday.

Many refugees took free bus rides offered by the government. But as word got around, there were not enough buses to take the crowds forming at staging points around the city. Anyone traveling farther than nearby cities were told they would have to pay their own way.

One man clip-copped out of town on a horse-drawn carriage piled high with possessions. (AP, Reuters)

U.S. Leans to Idea of GIs Under Foreign Command**Smaller Kosovo Role Seen as a Benefit of Shift**By Dana Priest
Washington Post Service

WASHINGTON — As support grows within the administration for sending U.S. troops to Kosovo, senior Pentagon officials have expressed willingness to put them under foreign command in exchange for keeping the U.S. troop participation in the mission small.

The United States has historically opposed putting U.S. troops under foreign command and, reflecting this reluctance, all the commanders of NATO troops in Bosnia have been Americans. But the military officials said that having a European NATO officer lead a peace force in Kosovo would help meet complaints that U.S. troops are burdened by their many commitments around the world and that Europeans should play a bigger role in what is essentially a European problem.

"If we are not going to provide the bulk of the forces it is perfectly acceptable to us," said a senior Pentagon official.

The issue of putting U.S. troops under foreign command has always been red-hot for conservative Republicans and others. It was the topic of vehement debate over deployments in United Nations-led missions to Bosnia, Somalia and even Macedonia, where 350 U.S. troops are stationed as peacekeepers.

In 1996, the House voted to restrict the president's ability to put U.S. forces under foreign command but the measure never made it to a Senate vote.

Neither President Bill Clinton nor his top national security team has come to a decision about whether to send U.S. troops on a NATO mission to Kosovo — already being dubbed KFOR for Kosovo Force — to enforce the political settlement sought by the United States and five major European nations.

The settlement is meant to stop the fighting in the southern Serbian province of Kosovo and guarantee political autonomy for the ethnic Albanian majority mounting a secessionist revolt.

Serbian security units have responded to the rebels with overwhelming military attacks that have caused numerous civilian casualties and displaced thou-

sands of people.

Western allies have set a Feb. 19 deadline for the Yugoslav government and separatist ethnic Albanian guerrilla forces to accept a negotiated settlement.

The United States has preferred to frame its policy as a "step-by-step" approach and not to forecast what decisions Mr. Clinton may make on the matter. The British, French and German governments have committed to sending in ground troops to enforce an agreement, meanwhile, but have made it clear that they expect U.S. participation as well.

The spokesman of the National Security Council, David Leavy, said a decision on U.S. ground troops could not be made before a more detailed plan is on the table that outlines their mission and rules of engagement. "It's premature to speculate," said Mr. Leavy. "We haven't ruled anything in or out."

Other national security officials, however, have acknowledged that if a political settlement is reached, it is likely that the administration will support deployment of ground troops to enforce it.

The administration has begun consulting with members of Congress on this possibility.

Support for a military deployment has grown quickly among some of the very members of Congress who opposed or were lukewarm about U.S. involvement in nearby Bosnia. First among them is the Senate Armed Services Committee chairman, John Warner, Republican of Virginia.

"A stabilizing NATO force has to be put in place in Kosovo," said Mr. Warner, who also supports air strikes against military targets to force President Slobodan Milosevic to the bargaining table.

Senior Pentagon officials, aware of this growing support, initially speculated that the job may take as many as 30,000 troops and that the U.S. presence could go as high as 7,000.

Other national security officials and outside experts have criticized those numbers as too high and part of a scare tactic by the Pentagon to fend off a largely unwelcome ground troop role.

Bank Austria to Pay Survivors of Nazis

The Associated Press

VIENNA — An Austrian bank accused of having profited from Nazi forced labor and sales of gold stolen from Jewish Holocaust victims will pay \$92 million in restitution, the U.S. lawyer representing survivors said in comments published Sunday.

The lawyer, Ed Fagan, was quoted by the weekly *Foram* and the *Austria Press* Agency as saying that besides paying the relatively small sum (compared with the \$1.25 billion that two Swiss banks agreed to pay last year), the Bank Austria group had promised to cooperate in similar investigations of German banks.

Bank Austria "will provide us with documents that will open the way to the main vein of gold," Mr. Fagan reportedly said, naming Germany's Deutsche Bank and Dresdner Bank.

Dresdner Bank is reported to have

gold taken from Holocaust victims with a current value of \$2.37 million. Deutsche Bank, Germany's largest commercial bank, has acknowledged still having \$2.51 million of Nazi victims' gold and said it planned to turn it over to two Jewish organizations in the United States.

Five plaintiffs representing at least 50,000 Holocaust survivors filed a lawsuit last year in federal court in New York against the two German banks, along with Bank Austria and other Austrian banks.

The lawsuit accused the banks of stashing assets belonging to Jews headed for Nazi death camps.

Executives of Bank Austria were unavailable for comment.

■ **Swiss Dispute Is Over, Gore Says**

David E. Sanger of The New York

Times reported earlier from Davos, Switzerland:

Vice President Al Gore and the president of the Swiss federation, Ruth Dreifuss, declared Saturday that the dispute over the disposition of Nazi gold and the treatment of Holocaust survivors by Swiss banks was over.

The announcement came as the United States opened discussions with Germany over compensating hundreds of thousands of elderly Europeans who worked as slave laborers or forced laborers for German companies during World War II.

The joint announcement, made at an economic forum attended by Mr. Gore and one-third of the U.S. cabinet, culminated an effort to repair what Miss Dreifuss said had been a "brutal" two-year breach in relations between the two countries.

BRIEFLY

Israeli Jets Blast South Lebanon

JERUSALEM — Israeli fighter jets launched air raids on suspected guerrilla positions in south Lebanon on Sunday, the army said.

An army communiqué said that fighter planes "attacked terrorist targets near Ya'ar village," adding that all planes returned safely to base. The communiqué did not say whether the raids caused any casualties or damage.

In Lebanon, security sources said Israeli warplanes had blasted suspected Hezbollah guerrilla targets outside a southern Lebanese village Sunday.

Burial of South African Politician

RICHMOND, South Africa — With pistols fired into the air by mourners, the slain opposition politician Sifiso Nkabinde was buried Sunday while his colleagues implored supporters to vote rather than to kill.

Mr. Nkabinde, who was gunned down Jan. 23 by unknown assassins, was national secretary of the United Democratic Movement. Hours later, 11 people were killed in an apparent revenge attack on members of the governing African National Congress. Mr. Nkabinde was a former member of the ANC,

but was kicked out and joined the UDM in 1997. Violence soon started between his followers and the ANC. (AP)

Mexican Gunmen Steal Artworks

MEXICO CITY — Armed robbers stole 12 paintings by one of Mexico's greatest artists, Rufino Tamayo, in what appears to be the first such steal-to-order heist in the country, newspapers reported at the weekend.

The paintings, which had been on show with 40 others to commemorate the centenary of the artist's birth, had a collective value of about 20 million pesos (\$2 million), *La Jornada* newspaper said.

Owners of the Lopez Quiroga gallery in Mexico City said five men entered the gallery Thursday, threatened the staff with guns, and slipped the chosen Tamayo artworks into plastic bags before escaping by van. (Reuters)

For the Record

Lucien Bouchard, the separatist premier of Quebec, returned the idea of Quebec's secession from Canada to the political agenda over the weekend, promising to push hard for the province's independence. (Reuters)



STEP OUT OF YOUR WORLD

EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Kosovo Indicators

Once again NATO leaders are talking tough on the subject of Kosovo. They did so last October, but settled for an inadequate deal that quickly and predictably unraveled. Now some encouraging signs suggest that the administration finally understands that only standing up to the Serbian dictator Slobodan Milosevic can produce a long-term peace. But whether the administration will actually push for that lasting solution or will again claim victory while accepting something less remains uncertain. Here are a few indicators to watch in coming days.

Will NATO insist that Serbian troops, police and paramilitary forces withdraw from Kosovo? This is the single most essential condition. Last fall the allies claimed such a goal, but when Mr. Milosevic resisted, NATO relented. Serbia was permitted to keep some 20,000 troops and probably never drew down even to that generous limit. This time has to be different. Serbian forces have spent the past year waging war against the civilian population of Kosovo. There can be no peace as long as they remain.

Will NATO deploy ground troops? As Serbian forces withdraw, American and other soldiers must be deployed to provide stability. NATO troops can serve as guarantor that Serbian forces,

once out, will stay out. NATO troops also can help protect and reassure the Serbian civilian minority in Kosovo.

Will NATO insist on true self-government for Kosovo? Its final status—whether as independent country, republic within Yugoslavia or, as before 1989, autonomous region within Serbia—should not be decided now. But NATO can allow no ambiguity with respect to the Kosovars' authority to govern themselves. Whatever historical claim Serbia had to Kosovo has been forfeited by Mr. Milosevic's decade of apartheid-like repression of the ethnic Albanian population and, even more, his year of ethnic cleansing.

That is why NATO's call for negotiations between Mr. Milosevic and the Kosovars is worrisome. What is there to negotiate? NATO should force Serbian forces to withdraw and give the Kosovars a three- to five-year period to recover from Mr. Milosevic's depredations and rebuild the democratic institutions he destroyed. During that same period, the United States and its allies should intensify their efforts to promote a democratic transition in Serbia itself. Then negotiations, between a democratic Serbia and a democratic Kosovo, might have some meaning, and some chance of success.

—THE WASHINGTON POST

East Timor's Time

Through its 20-some years under the murderous military occupation of formerly Dutch Indonesia, formerly Portuguese East Timor gradually drew international attention to its struggle for independence. Now, with a new civilian government in Jakarta pleading for international aid, Indonesia is paying heed to the territory's appeals. In the latest turn, President B.J. Habibie's government bravely announced that it is holding out a prospect of "regional autonomy" plus "for East Timor, and if that is rejected, its 'release' to independence.

It is no time to be overconfident about a democratic outcome in Timor. Certainly it helps that the Indonesians are making use of the international support structure—Indonesian-Portuguese talks, a UN mediator, American encouragement of civilian rule—devised to assist the passage. But there still seems to be some hesitation to let go among the main political parties in Indonesia as well as in the military.

For one thing, Indonesians have some apprehension, and with some reason, about setting an autonomy/in-

dependence precedent in a country whose sharp regional and ethnic differences were largely contained, but not removed, by a military regime. Indonesia's post-Subarto reform movement does not appear to have got far into devolution of powers and development of federalism, things that might give the government more confidence in dealing with East Timor.

In any event, East Timor has a distinctive claim to self-determination arising from its special history as a three-century Portuguese colony before the Indonesian takeover of 1975 at a moment of great upheaval and distraction in Lisbon. The latest Indonesian scheme would put the power of bestowing independence in the hands of a national "People's Consultative Assembly" due to be elected on June 7. The Timorese rightly prefer that crucial decisions of self-determination be exercised by the people of the territory in a referendum of their own. These matters go beyond procedure into the substance of a hard-earned freedom whose time has finally come.

—THE WASHINGTON POST

Yes to TV in the Senate

With the final debates and deliberations in President Bill Clinton's impeachment trial not far off, the television news broadcaster CNN has rendered an important service by reminding the Senate of its constitutional duty to conduct the critical remaining portions of the trial in public.

To date, most of the debate about whether impeachment proceedings should be open or closed has centered largely on traditional Senate practices, with too little attention paid to the constitutional and public-interest arguments raised by Senators Tom Harkin and Paul Wellstone.

In a brief-like document distributed to all 100 members of the Senate on Friday, CNN makes a powerful case that when the Senate confronts the solemn issue of whether to depose a duly elected president, the First Amendment requires openness.

The application to the Senate—prepared for CNN by Floyd Abrams, a lawyer who has also worked for The New York Times on First Amendment cases—does not challenge the Senate's power under Article I, Section 3 of the U.S. Constitution to exercise control over how impeachment trials are conducted. Nor does it dispute that impeachment debates and deliberations have historically been conducted in secret. But it notes that American government and society have changed since the Senate held closed hearings in the trial of President Andrew Johnson. Those changes include what Mr. Abrams terms the "architecture" of free-speech law.

Through dozens of rulings in the past several decades, the Supreme Court has recognized that the First Amendment extends beyond barring suppression of speech by individuals or assaults on a free press, to pro-

hibiting government from arbitrarily preventing citizens from obtaining critical information about the functioning of their government.

"The sheer range of proceedings endorsed as open by the Supreme Court," the brief states, "suggests the importance under the First Amendment of public observation of the act of doing justice." That is so, even where the proceeding in question had a history of being closed.

The oath taken by the senators at the start of the trial imparts a duty to abide by not just the impeachment clause, but the constitution as a whole. So far, in all the debates about whether various proceedings should be open or closed, scant attention has been paid to First Amendment considerations, which weigh heavily against closed-door impeachment deliberations.

At this important juncture in the trial, the question can no longer be ignored. This application is a timely and valuable way of reminding the Senate that any business as important as deciding the fate of a presidency must be conducted in full public view.

—THE NEW YORK TIMES

Other Comment

Royals Can Be Bad for You

Television news bulletins had to drop historic footage of the Prince of Wales and Camilla Parker Bowles in case flashguns going off outside the Ritz induced epileptic fits in viewers. It is time the media acknowledged the truth and introduced a warning based on those of the tobacco industry: Reading and watching royal stories can seriously damage your health.

—The Independent on Sunday (London).

Japan, for One, Is Finally Learning to Say 'No'

By Marshall Auerback and Patrick Smith

NORFOLK, Connecticut — Ten years ago, Westerners were surprised by the implicit anti-Americanism of "The Japan That Can Say No," that infamous tome co-authored by Akio Morita, then chairman of Sony, and a neo-nationalist firebrand named Shintaro Ishihara.

Today Japanese leaders respond to U.S. economic prescriptions with "no's" just as self-confident as those proposed in the best-selling book.

The book was a stunner even among the Japanese. While the nation's economic power was then at its height, even in government one found few Japanese ready to begin disengaging from the West. The psychology of dependence was still prevalent.

Times have changed. But globalism's triumphalist proponents, having failed to grasp the message a decade ago, are ill-prepared for a more assertive Japan no longer willing to defer reflexively to the West.

Consider a speech on Jan. 22 by a Finance Ministry bureaucrat, Eisuke

Sakakibara's remarks were a gloves-off attack on the control now exerted in world economic affairs by the IMF and the U.S. Treasury. "The Washington consensus," Mr. Sakakibara asserted, consists of a simplistic adherence to "free markets and sound money," an ideology that amounts to "the blind application of a universal model."

The speech's title captures the essential note of defiance: "The End of Market Fundamentalism." Mr. Sakakibara is neither a maverick nor a minor functionary. He is deputy finance minister for international affairs and known as "Mr. Yen" for his role in managing the currency. His remarks can hardly be passed off as those of a man who just doesn't get it.

He did not bother with the usual Japanese diffidence. He delivered his broadside in English at the Foreign Correspondents' Club, a Tokyo forum from which it was sure to get maximum coverage in Western newspapers.

"In the early 1990s it may have looked as if the United States could come close to having a financial empire," Mr. Sakakibara asserted, "but that is certainly not the reality we face at the end of the 20th century."

There is no postwar precedent among the Japanese for so audacious a challenge to American thinking. The critique is all the more noteworthy for arriving when Japan is widely considered the sick man of the Group of Seven industrial nations.

"There are as many varieties of capitalism as Heinz has pickles," the American economist Hy Minsky wrote long before globalism's ascendancy. Mr. Minsky also argued that sound economic policy flowed from strong institutions, and not the other way around. That is Mr. Sakakibara's point in calling for neoliberals in the West to respect "systemic diversity" in the global financial structure.

The central premise of the policy

reforms that Washington incessantly demands of Tokyo is that Japan's economic structures and institutional arrangements are hopelessly outdated. In this case it is the other way around: It is Washington that is behind the times in presuming that the rest of the world wants only to follow it.

"American dominance, which seemed assured after the demise of socialism, seems to be declining on both political and economic grounds," Mr. Sakakibara said, "partly because of the unification of Europe and partly because of potential anti-Americanism in various parts of the world."

The implication should trouble any committed globalist. Is Japan the only nation that is learning to say "no"?

Mr. Auerback is a partner at Venturoso Associates, a global investment advisory firm. Mr. Smith, a former correspondent in Japan, is author of "Japan: A Reinterpretation." They contributed this comment to the International Herald Tribune.

The Global Economy Needs New Rules and Institutions

By Bimal Ghosh

GENEVA — The Brazilian crisis is another harsh reminder that piecemeal measures, such as the \$41.5 billion international aid package hurriedly arranged for it in November, are no substitute for a solid structure to sustain the globalization process and ensure that nations fully and equitably reap its benefits.

If the Group of Seven summit in June fails to respond convincingly to the challenge thrown open by waves of economic turbulence in East Asia, Russia and now Brazil, the credibility of a global economy of free flows of trade and capital will be seriously tested.

The Brazilian crisis can seem to be of a domestic nature—a huge public-sector deficit running at 8 percent of GDP, and consequent lack of confidence in the government's ability to meet its commitments.

Confidence was further shattered by domestic political volatility and maneuvering. The climax was reached when Itamar Franco, the newly elected governor of the state of Minas Gerais, announced a temporary moratorium on the state's \$15 billion debt to the central government.

However, in a globalizing world, into which Brazil has been increasingly integrating, domestic problems can hardly be contained within borders.

True, unlike the East Asian countries, Brazil is not short of foreign exchange. Although some \$7 billion left the country in November and December, it still has a large reserve of about \$35 billion (not counting the international aid package of \$41.5 billion). Nor does it have an unduly high level of short-term foreign debt.

But Brazil's domestic debt is closely linked to foreign fund-

ing through private banks and purchase of Treasury bills, and its currency was clearly overvalued. Once confidence was shattered, foreign investors were asking for higher and ever increasing interest rates to cover their potential risks. The rates, which reached nearly 40 percent, were unsustainable, creating a vicious circle of weakening international confidence.

Not surprisingly, during the first fortnight of January more than \$2.5 billion left the country. Brazil's response to the looming crisis, a 9 percent devaluation of its currency announced on Jan. 13, sent immediate shock waves through world financial markets.

Since then the jitters have eased and relative calm has returned to the financial markets, but continuing fear of financial contagion adds to the fragility of the world economy. The failure of the gamble to

defend the real by using piecemeal aid, and the absence of a lender of last resort, have continued to prove seriously damaging to Brazil and costly to the world economy, with disturbing social consequences.

If, under social and political pressure, Brazil now fails to push through fiscal reform and restore international confidence, it will be obliged to retreat from the continuation of current policies of liberalizing the market and keeping the economy open. The effect will spread far beyond, with the merits of engaging with the world economy being called into question in many other countries.

That will be most unfortunate, especially at a time when the United States and the European Union seem finally to be coming closer on the opening of a new round of trade liberalization under the aegis of the World Trade Organization. At

the invitation of President Bill Clinton, it plans to hold its ministerial meeting in the United States later this year to set multilateral trade policy for the early part of the millennium.

As the Group of Seven nations prepare to meet in Cologne in June, they need to recognize that the world economy can no longer safely run on the basis of existing rules and institutions that are too fragile in the face of a host of new challenges. Proposals for a new financial architecture need to be broadened and backed by a visionary approach to global issues.

Clearly, there are matters—for example, those concerning short-term movements of capital and the establishment of a lender of last resort—which need urgent attention. But it would be unwise to focus on them in isolation, ignoring other vital issues such as a new global framework for movement of people as a concomitant feature of interpenetration

of markets, debt relief for the most heavily indebted countries, and safety nets for vulnerable domestic groups.

Action would lend credence to the "social market" language heard from leaders of center-left governments in Europe.

Active involvement of developing and transition countries will be essential. But it is important for the Group of Seven to take the initiative. These nations are in a crucial position to set the ball rolling.

The process will be arduous and probably long, and that is why it needs to start now. Gerhard Schröder, the German chancellor, has been urging the G-7 nations to be bold in these matters. This should not turn out to be empty rhetoric.

The writer, a former director in the United Nations development system, is a Geneva-based consultant and author. He contributed this comment to the International Herald Tribune.

Get Rates Down in Brazil, Don't Prop Up the Real

By Floyd Norris

NEW YORK — Close your eyes and it feels like Russia all over again. Brazil, the largest economy in its part of the world, seems to be steering rudderless from crisis to crisis.

Its president, serving his second term, is seeing his international reputation as a reformer erode. Capital is fleeing and state governments are defying the central authority by refusing to pay their bills. As the government faces fiscal crisis, its only solution seems to be to push interest rates to ridiculously high levels.

So it was in Russia last summer, as that country lurched toward default. In retrospect, the

sign that things were out of control came when the government was unable to borrow rubles, at least not without paying astronomical interest rates.

Now the same thing is happening in Brazil, whose national government recently tried to issue about \$420 million worth of bonds denominated in reals but linked to the dollar to protect investors. The bonds did not sell, because bidders were demanding interest rates of up to 35 percent—about the market rate that Brazil's own central bank had established in its desperate effort to support the real.

Brazil finds itself in a classic catch-22. If it pays such huge interest rates for very long, the government will go broke or end up with a worthless currency as the printing presses run overtime. On the other hand, to get the money it needs without turning on the printing presses, it must pay such rates.

The result has been widespread speculation that Brazil will default—or, to put it in the terms used in polite financial circles, restructure its debt. People do not believe that Brazil will honor its promises, so they will not lend money to it.

It was only a couple of years ago that Brazil seemed a beacon of economic success. President Fernando Henrique Cardoso had halted runaway inflation through the introduction of the real, with a policy of gradual controlled depreciation against the dollar. Capital was flowing in from foreign investors.

But the seeds of disaster were hidden in that apparent success. The president put off many badly needed reforms. Brazil's public sector is bloated, with too many well-paid employees doing too little, while great poverty remains in some areas. The government's debt grew and the real became overvalued.

Then the world changed. Foreign investors, burned in Asia and Russia, began to flee. Efforts to get Brazil's fiscal house in order that would have been hailed a year earlier seemed to be too little too late, and met political resistance.

At first, Brazil, its coffers filled by what was supposed to be a reassuring bailout by the IMF, tried to brazen it out with-

out devaluing. When that failed, it tried a little devaluation, then a bigger one. It said it would let markets fix the real's value, but then intervened. It pushed interest rates to the sky and then balked at paying such rates.

The government and the IMF face the difficult task of trying to figure out what to do next. There are no guarantees that even serious fiscal reform will bring investors back.

But it is clear what has not worked. High interest rates are like some drugs. In moderate doses they can cure, but huge doses kill. The country must get rates down. If that leads to a further fall in the real, so be it. That will hurt those who rely on imported goods, but it will also make Brazil's exports more competitive.

It might be that the real, which now appears undervalued, would not fall very far, or at least not for very long. Capital is fleeing because investors fear that the government will default. But many Brazilian stocks have held their international value, as some investors bet that those companies will prosper when things calm down.

Unlike in Russia, the banking system is reasonably strong. Unlike in Asia, most corporations are not burdened by foreign currency debt that they will be unable to pay after devaluation.

International aid will be needed to offset the damage to the poorest Brazilians and to help some companies that will be in deep trouble as a result of the local recession and the currency devaluation. The priority now should be to keep the money available for those needs—not for propping up the currency.

The New York Times

Another Royal Mistake in Jordan?

By Jim Hoagland

WASHINGTON — King Hussein of Jordan has balanced the books by abruptly and with public cruelty throwing his loyal brother Hassan out of the line of succession. He reminds history that his enormous virtues have always been matched by large flaws. For all the manifest courage and elegant compassion with which he managed the Jordan's affairs, King Hussein has always been capable of screwing things up royally.

In 46 years of ruling the desert kingdom confided to his family by the British as a consolation prize, he got one big thing right: He understood that he had to work hard to maintain his regime's legitimacy with a population that his family had no historic claim to rule. Nothing went uncalculated or taken for granted in the Hashemite kingdom.

But this also led to King Hussein's biggest failing: his incessant pursuit of whatever he concluded was the key of the moment for survival. He followed far more often than he led. He marched along with the Arab Street or his American sympathizers after time straight into disaster.

He was prodded by others into needlessly and treacherously attacking Israel in 1967, getting on the CIA payroll in the 1970s, and allying himself alternately with Syria's Hafez Assad and Iraq's Saddam Hussein in the 1980s.

Only in his final years and after trying everything else did he magnanimously make formal peace with Israel.

These strands of his history—the CIA, Iraq, Israel and the rest—run through the family drama that saw the king, 63 and mortally stricken with cancer, denounce his brother Hassan, 51, and name his son Abdullah as his successor. It was a

decision "to wrest the title of crown prince from an experienced statesman and hand it to a 36-year-old career soldier who has never had a political role," as The New York Times reported from Amman.

Justice needs to be done to the king. He acted within the Jordanian constitution. He should have a better sense of the kind of ruler the unknown Abdullah will become than the rest of us. And a case can be made for ensuring continuity and vigor in rule by moving to the next generation now.

But the public letter that King Hussein issued to justify his decision implausibly and bitterly attacked Prince Hassan, who served patiently and with dignity as heir to the throne for 34 years. Prince Hassan was accused of treachery, spreading gossip and other heinous but undocumented crimes. King Hussein's unbalanced letter leaves the impression that he invented political reasons to justify siding with one branch of his family in a messy domestic squabble.

The exercise demeaned the two brothers and the Jordanian monarchy, at a time of renewed instability in neighboring Iraq and in Israel, two warring nations whose fates have been linked by King Hussein's family history.

Chased from Mecca by the Saud family, the Hashemites were put on the throne in Baghdad and in Amman, the capital of the Jordanian protectorate over Palestine in 1921. King Hussein came to power in 1952, six years before his kin in Baghdad were overthrown and executed.

The Iraqis are today conducting a serious destabiliza-

tion program against the monarchy in Jordan and will be relieved at the sidelining of Prince Hassan, who has taken a consistently tougher line on Saddam Hussein and Yasser Arafat than has the king.

But, because of history and present circumstance, Jordanians will above all see an American hand in King Hussein's reversal of family alliances. Justified or not, the impression that the Clinton administration, and specifically the CIA, pushed Prince Hassan out of the line to the throne for its own reasons is inevitable.

Secretary of State Madeleine Albright's rush to Amman to bless the changeover has the unfortunate effect of cementing that impression.

Respected Israeli newspapers have been reporting since October that Bill Clinton expressed "grave concern" to Israeli leaders about Jordan's future under Prince Hassan. The Arab press has pinpointed a Jan. 5 Clinton-Hussein meeting in Washington as the moment at which the king turned against his brother.

And, as David Wurmser of the American Enterprise Institute points out, the recent hiring of a former CIA Middle East section chief by the anti-Hassan camp in the royal family as a "public relations consultant" can only revive memories of the agency's long manipulation of King Hussein and the kingdom.

I once heard the king speak of the "never-mindedness" of his fellow Arab rulers as they rushed to act on their prejudices and fears, whatever the consequences. He has shown that same quality in tearing down Prince Hassan, a decision that Mrs. Albright has thoughtlessly supported and may well come to regret.

The Washington Post

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HEALTH/SCIENCE

Calculating the Risks

Breast Cancer is Much Rarer Than Many Women Think

By Denise Grady
New York Times Service

NEW YORK — When they are asked to identify the greatest threat to their health, most American women name breast cancer. Most of them are wrong. Women overestimate their risk of getting breast cancer, researchers said, and they also overestimate the odds that the disease will be fatal. Few feel anywhere near the same dread of heart disease, even though it kills far more women, and few realize that lung cancer surpassed breast cancer 10 years ago as the leading cause of death from cancer in women.

Though some women have genes that greatly increase their risk of contracting the disease, the majority do not, and doctors worry that, over all, excessive fear of breast cancer may lead women to neglect the other conditions that are much more likely to kill them: to be cavalier about smoking or lack of exercise, for instance, or to refuse estrogen replacement therapy after menopause, even though estrogen is strongly recommended for women at risk for cardiovascular disease.

Advanced heart failure "sounds like something you can live with, even though it's a fatal disease," said Dr. Barbara Weber, director of the Breast Cancer Program at the University of Pennsylvania Cancer Center in Philadelphia. "It sounds less painful than breast cancer. And taking blood pressure medicine and nitroglycerin doesn't sound so bad. But chemotherapy is frightening."

To many women, the prediction that one in eight women in the United States will develop breast cancer is one of the most alarming statistics ever promoted by the National Cancer Institute and the American Cancer Society. The number is technically correct. But it is also confusing and misleading.

"It's a double-edged sword," said

Determining your Risk

A number of factors seem to increase the likelihood of contracting breast cancer.

- Age
- Mother or sister with breast cancer
- Obesity
- Alcohol use
- No children or children after 30
- Having had breast biopsies

Risk Through the Years

Of these factors, age is the most significant, with the risk being greatest for women in their

Number of women who will develop breast cancer

- During their 30s: 1 out of 250
- During their 40s: 1 out of 77
- During their 50s: 1 out of 42
- During their 60s: 1 out of 36
- During their 70s: 1 out of 34
- During their 80s: 1 out of 45

Source: Cancer Care Ontario

The New York Times

istic does not reflect the fact that a woman's risk actually changes with time.

In a recent issue of The New England Journal of Medicine, researchers from Toronto recommended that doctors use a different approach to discussing risk with their patients. Instead of calculating lifetime risk, they recommend calculating the odds that a woman will develop cancer during the next five years or decade.

The method is based on actual rates of breast cancer in women of various ages in Ontario in 1995, which are comparable to those in the United States. The researchers used those rates to create a table showing how many new cases would be expected in 1,000 women at five-year intervals from birth through the age of 85 and beyond. The figures show that risk increases with age: It is very low in women in their 20s and 30s, and then begins rising.

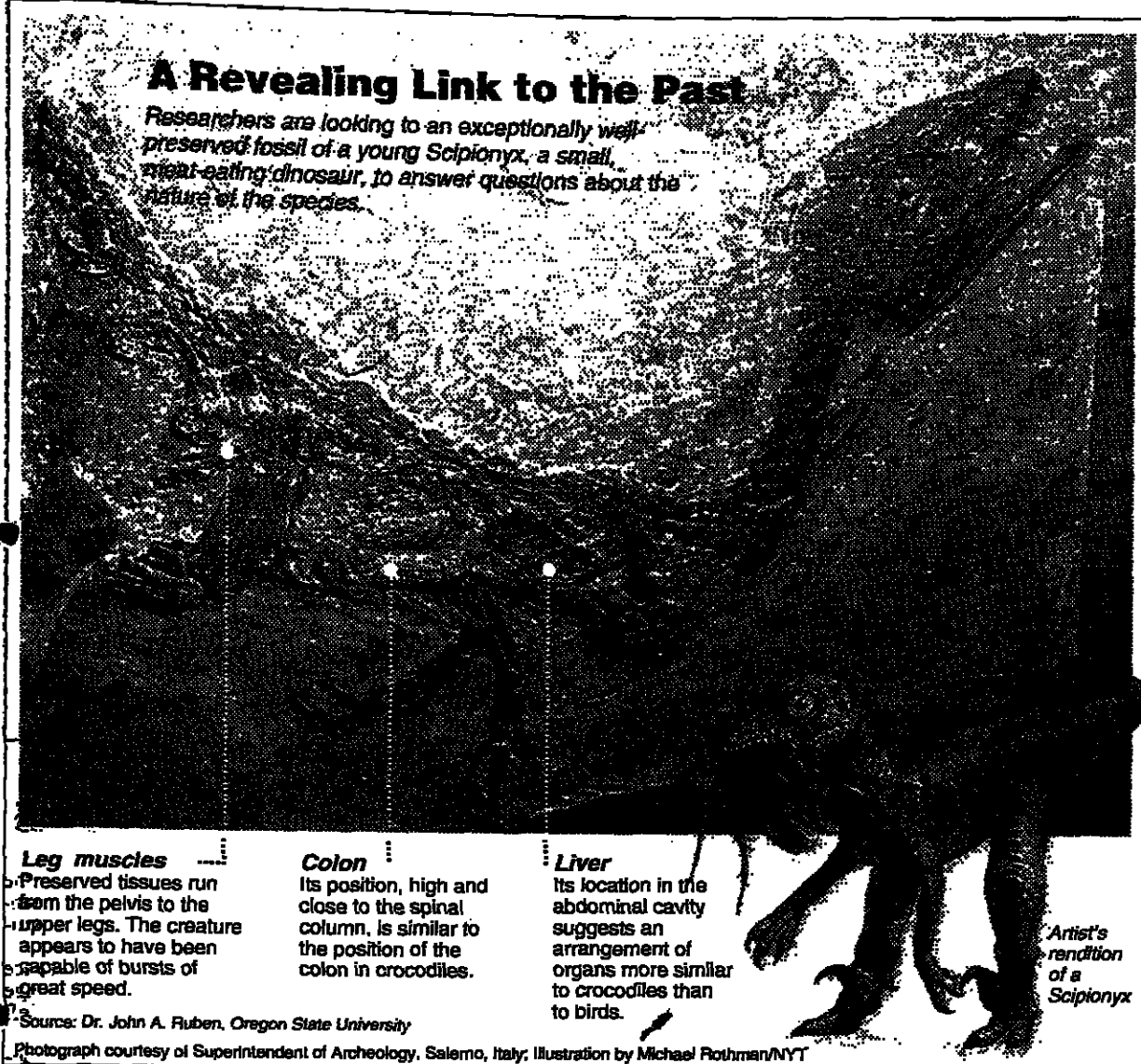
A woman's odds of developing breast cancer in a particular decade can be calculated by dividing 1,000 by the number of cases of cancer during that decade. The technique shows that for women entering their 30s, the risk generally is 1 in 250, and for those in their 40s it is 1 in 77. It never exceeds 1 in 34, which occurs during a woman's 60s and 70s.

Dr. Julia Knight, an author of the journal article and an epidemiologist at Cancer Care Ontario, a government agency, said public health campaigns based on the one-in-eight statistic could have the unintended effect of making some women so frightened of breast cancer that they would go into denial about the disease and give up on tests aimed to detect it early.

For women with family or personal histories of breast problems that suggest a higher than average risk of the disease, some medical centers have created special clinics to provide risk assessment, counseling and extra examinations and mammograms when they are needed.

A Revealing Link to the Past

Researchers are looking to an exceptionally well-preserved fossil of a young *Scipionyx*, a small, meat-eating dinosaur, to answer questions about the nature of the species.



Leg muscles — Preserved tissues run from the pelvis to the upper legs. The creature appears to have been capable of bursts of great speed.

Colon — Its position, high and close to the spinal column, is similar to the position of the colon in crocodiles.

Liver — Its location in the abdominal cavity suggests an arrangement of organs more similar to crocodiles than to birds.

Source: Dr. John A. Ruben, Oregon State University
Photograph courtesy of Superintendent of Archeology, Salerno, Italy; Illustration by Michael Rothman/NYT

The Anatomy of a Dinosaur

By Malcolm W. Browne
New York Times Service

NEW YORK — By shining ultraviolet light on the fossil of a baby dinosaur that had collected dust in a file drawer in Italy for 15 years, paleontologists have discovered an astonishingly well-preserved anatomical details that have rekindled one of the most intense debates in paleontology.

The discovery has cast doubt on two widely held theories: that dinosaurs are warm-blooded and that they were the ancestors of birds.

Many paleontologists in recent years have come to accept the theory that at least some dinosaurs could maintain steady body temperatures by themselves. Many paleontologists are also convinced that birds are closely related to dinosaurs, probably as their direct descendants.

Part of the evidence for this is the striking similarity of the skeletons of some dinosaurs to those of birds.

The baby dinosaur recently examined was first found embedded in a limestone formation north of Naples in 1963. Last year, after its rediscovery in the Archaeological Administration in Salerno, paleontologists who examined it were astonished to find that much of its flesh, including many of its internal organs, had been preserved in fossil form — an extraordinary discovery. The unique fossilized dinosaur, named *Scipionyx*, has by far the best preserved fossil organs of any dinosaur ever found, scientists agree.

Since the initial investigation, which was reported a year ago, a team of paleontologists headed by John Ruben of Oregon State University at Corvallis and William Hildebrand of the College of Charleston, in South Carolina, has examined the fossil under ultraviolet radiation. Last month the journal *Science* published the results: a spectacular picture, in fluorescent colors, in which the animal's organs stand out as brightly as color-coded engineering diagrams.

"It's amazing," said Larry Martin, a paleontologist at the University of Kansas in Lawrence. "It's essentially a dinosaur that's been dissected."

Paleontologists who have seen the ultraviolet pictures of *Scipionyx* agree that they are uniquely revealing. But experts are far from agreeing on the interpretation of the images.

Dr. Ruben and his colleagues argue

that the fossil provides strong evidence that dinosaurs had a breathing mechanism similar to that of modern crocodiles and completely different from that of birds. From this and some other evidence, they deduced that theropod ("beast footed") dinosaurs, including the mighty *Tyrannosaurus rex*, were cold-blooded but were capable of spurts of intense activity.

A member of Mr. Ruben's group, Nicholas Geist, said, "What you have is a turbocharged reptile."

Scipionyx, which in life probably resembled the fierce velociraptor depicted in the movie "Jurassic Park," lived about 110 million years ago. This specimen, an infant that apparently died shortly after it was hatched, failed to attract much scientific interest at the time it was found.

But it was later discovered that its different body parts were selectively mineralized by different chemicals in the marine sediments in which it was buried. This gave the fossilized organs

Were dinosaurs really warm-blooded, and were they in fact the ancestors of birds?

to fluoresce in different colors when exposed to ultraviolet.

The animal's colon glows bright yellow and appears to lie very close to its spinal column. In modern reptiles, the colon is arranged like this only in crocodiles, Mr. Ruben said.

In another possible similarity with crocodiles, scientists found evidence in the infant dinosaur of a specialized breathing device called a hepatic piston. In the crocodile, Mr. Ruben said, the piston is a large liver driven by muscles that pull it in and out to move air through the lungs. The colon lies near the crocodile's spine to leave room for the liver to move freely.

Scipionyx's lungs themselves were not preserved, but Mr. Ruben identified a large organ that glows blue under ultraviolet light as its liver. The relative positions and sizes of these and other organs mark them as crocodilian in type, he said.

By contrast, Mr. Ruben said, a bird's colon extends right through the middle of its abdominal cavity.

"It seems clear," Mr. Ruben said in an interview, "that a bird's radically different system of breathing, in which air is continuously drawn through its lungs, could not have evolved from the hepatic-piston system we see in this theropod dinosaur."

The indications, however faint, that *Scipionyx* had diaphragmatic muscles to assist its liver piston in breathing suggest that the animal may have been an ectotherm (cold-blooded), but was capable of sustaining oxygen consumption rates and activity levels beyond those of modern reptiles, Mr. Ruben said.

These views were strongly endorsed by Alan Feduccia, an ornithologist at the University of North Carolina, who has long argued that birds could not have descended from dinosaurs.

"I think John Ruben has done a remarkable job — a nice piece of detective work on a beautiful specimen," Mr. Feduccia said.

But Lawrence Witmer, an evolutionary biologist at Ohio University's College of Osteopathic Medicine, in Athens, Ohio, was one of the experts who challenged Mr. Ruben's conclusions.

"We have a ton of evidence for the view that birds descended from theropod dinosaurs, and John Ruben's conclusions fly in the face of this abundant evidence," Mr. Witmer said.

He said that Mr. Ruben's ideas might turn out to be correct, but that further evidence was needed to settle some large doubts.

Mr. Martin, of the University of Kansas, suggested, however, that the evidence already appeared to be in hand.

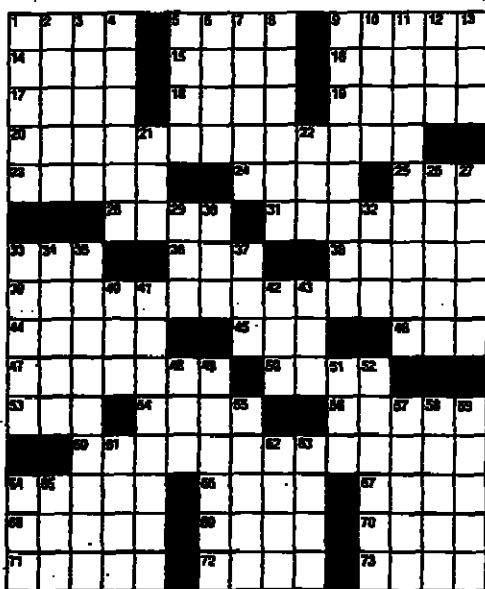
Regarding the conclusions of the Oregon State University team, he said: "There's actually no way they could be wrong about this. The *Scipionyx* specimen has the best preservation ever seen. It's one of the biggest discoveries of this decade. It tells us more about dinosaurs than any other specimen."

He continued, "The positions of the dinosaur's windpipe and colon serve as independent checks that the animal did not have a bird's breathing apparatus." And, he said, the external shape of theropod dinosaurs, "with deep, narrow body walls, is exactly the design you would expect for an animal with a hepatic piston."

As for the scientists who hold to the bird-dinosaur connection, he said: "They're really cast in stone. Despite this new evidence, it's going to be very hard for them to change their minds now."

CROSSWORD

- ACROSS**
- 1 "Dawn" Yachow
 - 2 Trick play, e.g.
 - 3 Where Rome is home
 - 4 Scold
 - 5 Day who chins
 - 6 With guests
 - 7 Wanderer
 - 8 Not much
 - 9 Say positively
 - 10 Sprinkle
 - 11 Company with "high personal achievement"
 - 12 Dictation taker
 - 13 "New Look" designer
 - 14 Sweet potato
 - 15 Gracful bird
 - 16 Winnie-the-Pooh's creator
 - 17 Lawyer: Abbr.
 - 18 Regret
 - 19 Mystery writer Gardner et al.
 - 20 Eastern dancer
 - 21 Bicker
 - 22 Umpire's call
 - 23 Home for Babe
 - 24 Show, e.g., historic battle
 - 25 Stands in the way of
 - 26 Always, to a verse writer
 - 27 Verse writer
 - 28 Partner of pairs
 - 29 Yarn-making device
 - 30 Pageant winner
 - 31 Something the nose knows
 - 32 Chorus syllable
 - 33 Lovers' lane
 - 34 Popular sauce
 - 35 Lacking bumps
 - 36 Take care of
 - 37 Messy dresser
 - 38 Sprightly
 - 39 Having an open weave
 - 40 Jackie's second
 - 41 Convert dweller
 - 42 TV personality Kupchik
 - 43 Not in a fog
 - 44 Perpetual time on the clock at Independence Hall
 - 45 Ornamental stone
 - 46 "I" problem
 - 47 Operate
 - 48 Enter full force
 - 49 Nickname
 - 50 Gussied-up letters
 - 51 Jeopardy
 - 52 Pavlov and Domingo
 - 53 Green
 - 54 Lug
 - 55 Kind of wave
 - 56 Throw
 - 57 Specialist in fishing
 - 58 Viewpoint
 - 59 Bothner
 - 60 Failed attempt
 - 61 Chow
 - 62 Parts of gals
 - 63 Suffice with press



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FOR INVESTMENT INFORMATION
Read THE MONEY REPORT
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Symptoms of Autism in Infants

By Sandra Blakeslee
New York Times Service

NEW YORK — The discovery that autistic children appear to have subtle abnormalities in body movements that can be diagnosed as early as 3 months old is leading researchers to hope for new treatments.

The findings, by Philip Teitelbaum, a psychologist at the University of Florida in Gainesville, are preliminary. But they have generated intense interest because, for the first time, a method is being proposed for diagnosing the condition in babies whose brains are still developing rapidly.

Most autism is not diagnosed in children until they are at least 3 years old. But if there were a reliable way to diagnose autism earlier, Mr. Teitelbaum

and other researchers said, doctors might be able to devise therapies to alleviate or eliminate the condition, when the brain is its most malleable.

Autism affects about 5 of every 10,000 children. While autistic children appear healthy, they may stare into space for hours, throw tantrums, show no interest in people and pursue repetitive activities, like head banging, with no apparent purpose.

Mr. Teitelbaum made the discovery by examining videotapes of babies who were later found to be autistic. These infants showed a specific cluster of movement abnormalities when rolling over, sitting up, crawling and walking, Mr. Teitelbaum said in an interview.

But, he cautioned, the results are still preliminary. Researchers need to look at many more babies, he said, to see exactly which movement abnormalities

can predict autism and which suggest developmental disorders like schizophrenia or attention deficit disorder.

No two babies develop motor skills in exactly the same way, but the autistic babies whom Mr. Teitelbaum studied showed a specific cluster of movement abnormalities. For example, he said, none learned to roll over by using the usual corkscrew motion — turning the pelvis to one side, followed by the trunk and finally the shoulders and head (or vice versa). Mr. Teitelbaum, who described his findings in a recent issue of the *Proceedings of the National Academy of Sciences*, also noted anomalies in the way the autistic babies learned to crawl and walk.

Early diagnosis has long been a goal of autism researchers, who theorize that the condition results from brain abnormalities that develop before birth.

LANGUAGE

Get Straight About Ockham's Razor

By William Safire

NEW YORK — "Occam's razor is a principle that has served science well," wrote Charles Krauthammer in *The Weekly Standard*. "For about, oh, 650 years." The psychiatrist-turned-columnist, writing about the Middle East, served his readers well about, oh, immediately, with this definition: "It holds that the simplest, most parsimonious explanation for a phenomenon is likely to be the correct one."

A couple of months before, another conservative pundit, George Will, argued that the public could understand the rationale behind the yearlong Clinton defense by its "intuitive wielding of 'Occam's razor,' also called the principle of parsimony. The principle is: When seeking to explain phenomena, start with the simplest theory."

Agreement on the meaning, if not the spelling, of Occam/Ockham is universal. The antonymic figure of speech is "Rube Goldberg invention," after the cartoonist who drew up the most complex methods of completing a simple task. But it falls to this column to answer the question: Who was Ockham, and what made him the Gillette of his day?

William of Ockham, the Franciscan logician known to his fellow friars as "doctor invincibilis," was born in England in 1280. His philosophic writing on the character of knowledge — the nominalist's difference between the name of a thing and the thing itself — made him a father of epistemology and caught the eye of Pope John XXII, then in Avignon. The monk further angered the pope by supporting the spiritual Franciscans' defense of the vow of absolute poverty. And as readers of Umberto Eco's "Name of the Rose" recall, such a challenge to John XXII led to being labeled a heretic and excommunicated.

Ockham and the mantra attributed to him, *entia non sunt multiplicanda praeter necessitate*, "entities should

not be multiplied unnecessarily" (which is a Rube Goldberg way of saying, "Simpler is better"), became a favorite of later mathematicians and physicists. When competing theories came to the same result, the least complicated was preferred. However, Albert Einstein observed that this shaving away by the Ockhamists could go too far: "Everything should be made as simple as possible, but not simpler."

But what about the razor? The function of a razor is to cut. Stephen Hawking, in his 1988 "A Brief History of Time," noted that "it seems better to employ the principle known as Ockham's Razor and cut out all the features of the theory which cannot be observed." The old Franciscan friar (probably bearded; shaving gear was hard to come by in the abbey) was figuratively cutting out details.

Why isn't the principle of this patron saint of editing called Ockham's scissors, or knife, or ice pick? "Philosophers and historians are generally puzzled as to why the principle of parsimony should be called Ockham's Razor," writes a trio of chemists in *Hyle*, a philosophy quarterly published by the University of Karlsruhe, in Germany. "We suspect that the association is due to the strength of the razor metaphor. . . . Scholastic and theological arguments were complex; to cut through them, to reach the remaining core of truth quickly, was desperately desirable. . . . Metaphor reaches right into the soul."

One of the authors, Dr. Roald Hoffman, a Nobel laureate in chemistry, helped track down the earliest reference to a razor in connection with our severely censured nominalist's parsimony pitch. He steered me to a July 1918 article in *Mind*, a philosophy journal, by W.M. Thornburn, in which that logician cited a footnote in a 1746 work of the French philosopher Etienne Bonnot de Condillac. In what Thornburn called "a flash of Gallic

wit," de Condillac characterized Ockham's principle as the *Rasoir des Nominaux*, "the razor of the Nominalists." Almost a century later, in the 1836 lectures by Sir William Hamilton on metaphysics and logic, the man and the metaphor met: "We are, therefore, entitled to apply Occam's razor to this theory of causality."

From the barber chair of etymology, unwrapping the hot towel and splashing a little aftershave on the customer's newly unwhiskered cheeks, we can safely say: The principle was Ockham's, but the metaphorical razor was de Condillac's. I cannot state this startling discovery more briefly.

How about letting Chairman Henry Hyde (and many other congressmen as well) know, writes G. Mackenzie Gordon of Lakeville, Conn., "that the correlative of gentleman is lady, not *gentlelady*?"

The use of *gentle* before *man* or *woman* has, for some six centuries, indicated noble birth or, more recently, good manners. According to Judith Martin, the syndicated "Miss Manners": "There is no such thing as a *gentlelady*. A lady is referred to in the third person as the 'gentlewoman' or 'the lady.'"

Judy — an ol' pal, so I can call her that — is, as usual, correct.

The only *gentle lady* I can find outside the halls of Congress is in "Macbeth," when Macduff cries: "O gentle lady! 'Tis not for you to hear what I can speak! The repetition, in a woman's ear, 'Would murder as it fell.'"

But the two words were not joined. Does this mean that the word does not exist? Certainly it exists: It may not be in dictionaries, and some feminists may think its courtliness is excessive and therefore regard it as sexist, but the word is intended to be a mark of respect and is surely in the spoken language.

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Merger Talk Portends a Shift In France's Bank Sector

Compiled by Our Staff From Dispatches

PARIS — France's banking sector appears set for another bout of merger speculation after a weekend report of talks between Societe Generale and Paribas, two of the country's largest banks.

The newspaper Le Figaro said the two banks had begun talks early this year on an alliance that would create a European giant.

Societe Generale is eager to turn itself into a universal bank with a major domestic retail business and an international presence in investment banking and asset management. Paribas's strength is in investment banking and specialized financial services.

Neither bank would comment on the report. But analysts have for some time been expecting a French banking shake-up in the wake of the introduction of the single European currency, the euro, and plans to privatize Credit Lyonnais SA.

A combination of Societe Generale, the second-largest bank in France, and Paribas, the fifth-largest, would be the second-largest in Europe in terms of assets, with \$660 billion, just behind UBS AG, with \$670 billion, and well ahead of Credit Agricole, currently the largest French bank, with \$420 billion.

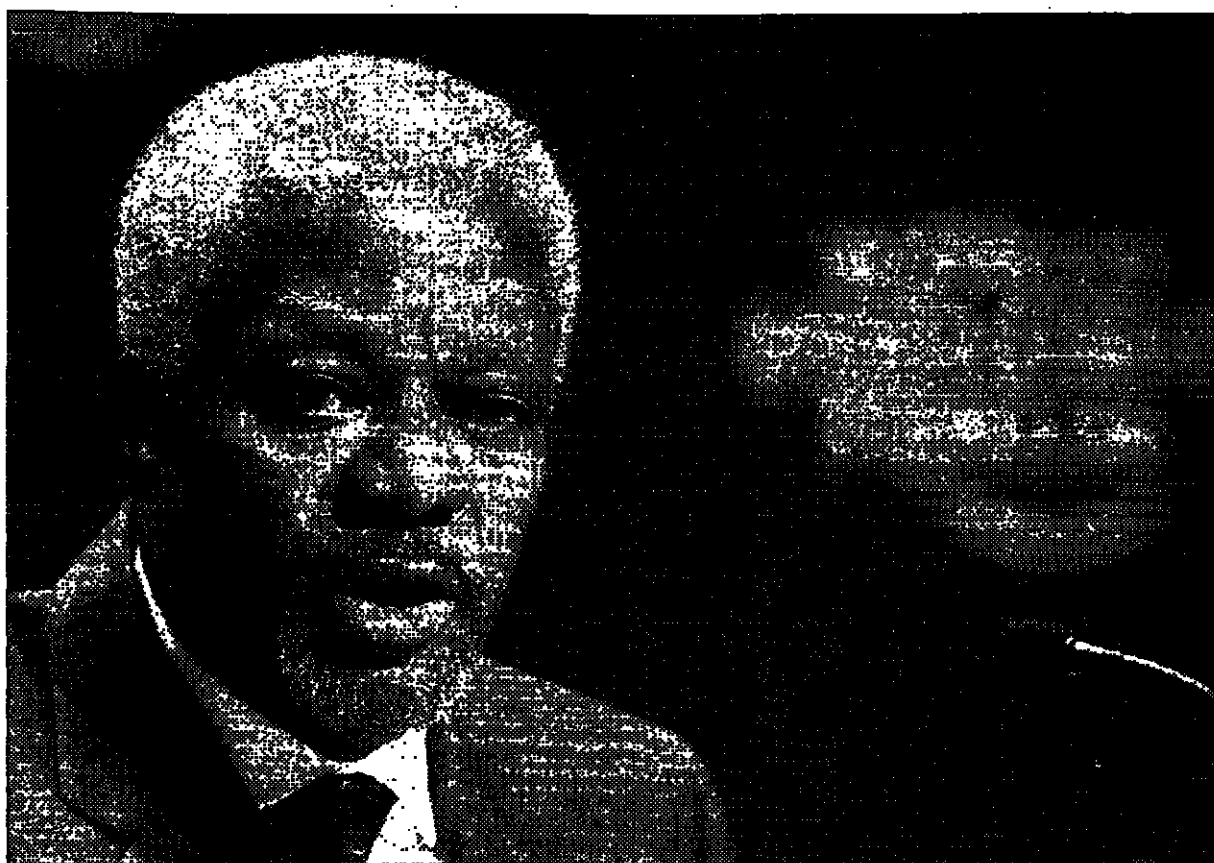
The combined bank would also be large enough to buy a major stake in Credit Lyonnais this year. That would put it into competition with Banque Nationale de Paris SA and the insurer AXA SA, which have said they are interested in buying part of Credit Lyonnais.

European banks have combined over the past year in record numbers to cut costs and increase revenue through larger branch networks. French banks, though, have been notably absent from the deals that have transformed the industry in Spain, Italy, Switzerland and Britain.

The governor of the Bank of France, Jean-Claude Trichet, declined to comment on the report.

Paribas has long been considered a takeover target, and its share price has doubled since October. Andre Levy-Lang, chairman of Paribas, said recently that the bank's stock had risen because of its efforts to cut costs and that it intended to remain independent.

(Bloomberg, Reuters)



UN Secretary-General Kofi Annan speaking Sunday at the World Economic Forum in Davos, Switzerland.

Annan Urges Firms to Enforce 'Values'

By Anne Swardson
Washington Post Service

DAVOS, Switzerland — United Nations Secretary-General Kofi Annan called on multinational companies Sunday to enact and uphold standards on human rights, labor and the environment in their operations in fragile developing countries.

The idea of a code of conduct that corporations would impose on themselves and their subcontractors for investments and operations in poor countries has been proposed before, but not by anyone as highly placed as Mr. Annan.

"The spread of markets far outpaces the ability of societies and their political systems to adjust to them, let alone guide the course they take," Mr. Annan told several hundred business leaders attending the annual meeting of the World Economic Forum.

"History teaches us that such an imbalance between the economic, social and political realms can never be sustained for very long."

"Without your active commitment and support, there is a danger that universal values will remain little more than fine words. Unless those values are really seen to be taking hold, I fear we may find it increasingly difficult to make a persuasive case for the open global market."

Even before Mr. Annan's speech, there was a sense here, reinforced by the past year and a half of global financial turmoil, that even from a business perspective some controls are needed to limit the negative impact of free trade and capital flows in less developed countries. The theme of this year's meeting was "managing the impact of globalization."

As many of the business and political leaders frolicked in heavy snow — Sunday was designated Sports Day at the forum — the darker side of globalization remained evident. Financiers were monitoring the worsening financial crisis in Brazil, and Prime Minister

Mahathir bin Mohamad of Malaysia was comparing currency speculators, whom he blames for the steep decline in the value of his country's currency, to arms traders and saying governments should act against them.

Lee Kuan Yew, Singapore's senior minister, said globalization "has created a totally different world that has held our country together."

The United States, while emphasizing that countries needed to run market-friendly and democratic policies, acknowledged the concerns.

Treasury Secretary Robert Rubin said in a speech Saturday that the world should "take steps to reduce the risk of the system." And the U.S. trade representative, Charlene Barshefsky, said Sunday that the United States, which has called for major new free-trade measures, believes and assumes that chapters on labor and the environment will be part of any new agreement that is reached.

U.S. to Offer Brazil \$1 Billion in New Aid

By Alan Friedman
International Herald Tribune

DAVOS, Switzerland — As Brazil struggled to prevent further capital outflows, a senior U.S. official disclosed plans Sunday to offer Brazil as much as \$1 billion of emergency trade financing.

James Harmon, chairman of the Export-Import Bank, the U.S. agency that provides international buyers export credits to acquire U.S. goods, said the export credits could help Brazil buy raw materials as well as spare parts for its small and medium-sized exporting companies.

Mr. Harmon, in an interview during the World Economic Forum meeting in this Alpine ski resort, said the trade financing he would offer to Brazil had been modeled on loans that the Export-Import Bank and other export credit agencies in Group of Seven industrialized countries provided last year to troubled Asian economies such as South Korea, Thailand and Indonesia.

"During this crisis period, as was also true in Korea, for example, Eximbank can help provide funding that is used to help produce finished goods for exports," Mr. Harmon said. He called the export credits "essential life for any troubled economy, the food the economy needs."

Mr. Harmon added that while Washington stood ready to assist Brazil with the trade credits, it would first be necessary for the Brazilian government to alter a rule that said trade finance could be awarded to Brazilian companies only for periods longer than 360 days. The U.S. credits have a duration limited to 360 days.

In the interview here, Mr. Harmon also disclosed plans to seek similar export credits from other G-7 nations. "I will ask other G-7 governments to offer the same kind of facility," he said. "We did this very successfully in Asia, and can do it for Brazil as well."

Separately, the International Monetary Fund's second-ranking official said he would fly to Brazil on Monday to discuss a revised program for the troubled economy.

Stanley Fischer, deputy managing di-

rector of the IMF, said he would join an IMF team that arrived over the weekend in Brazil and added, "We would like to agree on broad principles for a new program as soon as possible."

Mr. Fischer said the new program was needed because an earlier \$41 billion package had been based on Brazil having its currency, the real, pegged to the dollar, and the real has since fallen sharply.

"This crisis," said Mr. Fischer, "is going to be different from others we have seen because the financial system of Brazil is much stronger, the underlying banking situation is stronger, and since the crisis began Brazil has put in place the fiscal measures that were agreed with IMF in September."

Because Brazil has already approved most of its budget-deficit-cutting plans, Mr. Fischer said, "with resolute action this crisis can be handled quite well, and Brazil could even emerge stronger than it was two months ago."

Real's Plunge Goes 'Too Far'

Mr. Fischer said the 40 percent drop in the real, the Brazilian currency, had been overdue, considering the underlying strengths of the country's economy, Reuters reported.

Mr. Fischer said Brazil had put in place almost all of the fiscal measures it needed to recover from its current crisis and could count on a strong financial system as well, thanks to the government's clean-up of state banks over the past few years.

"The remaining need is to get in place a credible monetary policy, the goal of which is to assure that this devaluation does not lead to an ongoing inflation but rather a one-time adjustment of the price level," Mr. Fischer said during a panel discussion at the World Economic Forum's annual meeting.

That requires putting in place a clear monetary policy that is believed by the markets, that has credibility. As soon as that happens, or a little after — because it takes time for credibility to be gained — the exchange-rate overshoot will begin to reverse; the currency will strengthen.

He added that there is "no question that the currency has gone far too far, given the underlying strengths and policy changes in the Brazilian economy."

CYBERSCAPE

AOL's Scrutiny: Is It 'Thought Police'?

By Amy Harmon
New York Times Service

NEW YORK — Like generations of Irish Catholics and Ulster Protestants before them, the two opposing camps of contributors to America Online Inc.'s discussion group on Ireland rarely agree on anything. But when the world's leading on-line service suspended their contentious electronic debate in December, participants on both sides were united in their dismay.

"Don't stop just to appease the AOL Thought Police," one proponent of a united Ireland wrote to the Unionist contingent. "I'd much rather have someone vehemently disagree with me than know that anyone has been silenced."

America Online reopened its Irish Heritage discussion after a 17-day "cooling off" period, and if there was a strangely muted quality to the contributions at first, things are mostly back to normal. The politics folder, which now bears the slogan "a place for cordial political debate in the spirit of harmony," has seen more than 12,000 of the usual postings regarding British treason and Sinn Fein terrorism since the beginning of the year.

But the episode has fed a growing discontent with the social and political power that America Online has come to wield because of its surging popularity and its unusual watch over individual communications. And it underscores the challenges the company faces as it seeks to maintain both civil discourse and customer satisfaction while presiding over 180,000 continuing conversations on topics ranging from the teenage idols 'N Sync to the impeachment trial of President Bill Clinton.

Balancing free expression with civility has always been a struggle for America Online and other electronic publishers that provide areas where people can voice their opinions by typing them into the ether.

But it is America Online's scope combined with its editorial control that some critics say is cause for concern.

With 15 million subscribers, the service is the gateway to cyberspace for more Americans than the next

It is the mix of the service's scope and its editorial control that alarms its critics.

15 largest Internet service providers combined, according to a report by International Data Corp., a market research firm. While announcing strong earnings last week, the company said it added 1.6 million accounts in the fourth quarter of last year alone.

Some subscribers have begun to chafe at America Online's definition of civility, or at least the way it seems sometimes arbitrarily applied. And some civil-liberties advocates are scrutinizing the service more closely as a new breed of institution that governs speech and yet is immune to First Amendment claims.

A flurry of recent clashes in discussion areas ranging from race relations to fiction writing has served to heighten concern over the company's more subtle methods of monitoring the discussions on its message boards — the continuing discussions that subscribers can follow and contribute to over time, as distinct from the simultaneous and sometimes chaotic (but also monitored) exchanges in what it calls chat rooms.

In particular, some subscribers cite the on-line service's practice of deleting message-board postings without explanation and of attaching the equivalent of demerit marks to accounts of individuals deemed to have offended another subscriber.

"The question is, who gets to decide what's offensive?" said Renee Rosenblum-Lowden of Pennsylvania, who said she had been cited for a violation for posting a message in a debate on abortion advising an opponent, "If you can't stand the heat, get out of the kitchen."

Under America Online's contract, universally referred to among members in both noun and verb form as TOS, for "terms of service," all subscribers promise not to "harass, threaten, embarrass or do anything else to another member that is unwanted."

Transgressions often are reported to the company by other discussion-group participants, whose identities are not released to those they accuse. According to the sub-

scribing contract, three such violations may result in the suspension or termination of an account.

Ms. Rosenblum-Lowden — whose screen name is now "Preteach 2" because her "Preteach" account was closed — said she and a group of other women who take part in discussions on the Women in Action board had been picked as targets for complaints by those who disagreed with their liberal views.

"Unlike a court of law, you don't face your accusers," she said. "That gives people free rein."

America Online executives concede that judging what is unduly offensive in often complex political disputes or long-running personal battles can be tricky, especially given the volume and range of messages. That is why the company has enlisted nearly 14,000 volunteers to patrol the boards and employs a group of about 100 known as the Community Action Team to monitor when a comment crosses the line.

In intervening in conversations between its users, America Online says its objective is to maintain a sense of community. Although legal liability for libelous statements appearing on its boards was once more of a concern, a provision of the Telecommunications Act of 1996 essentially grants on-line services immunity from prosecution over such matters, characterizing them as a "common carrier" like a telephone company — simply a means by which information is transmitted, with no responsibility for the information itself.

Most terms-of-service violations are handled case by case. In an extreme case such as the Irish board, where dozens of violations were being reported every day by the most active participants, the company said there were enough profane and offensive postings that it became necessary to shut down the whole discussion.

"There's a certain amount of judgment required in situations on whether something is particularly harassing or threatening of other members," said Katherine Boursecnik, vice president for network programming. "That's where things get the most difficult."

"We train people to be agnostic about the specific content and to look more at things like tone: Is it threatening, harassing, profane, vulgar?"

E-mail address: CyberScape@aol.com

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Introduced on the stock

exchange in June 1998.

Rhodia is one of the

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specialty chemicals.

Present in 135 countries

with 23,500 employees.

Rhodia generated

sales of 5,537 million

euros in 1998.

1998: the first step to progress

An increase in gross operating margin from 11.9% to 14.5%

An improvement in net result of 1,233 million euros

Strong resistance to economic pressures

The decrease in business volume in the second half of the year had a negative impact on sales (-2.2%) but prices remained stable (-0.2%) which demonstrates less cyclicality in Rhodia's businesses.

An 18% increase in EBITDA

The improvement in the EBITDA is due to lower price of raw materials and productivity measures implemented in Rhodia's plants. In order to meet its objectives rapidly, Rhodia has launched further productivity measures. A provision of 85 million euros was made in 1998 of which 60 million euros were allocated to site closures. These extraordinary items will result in recurring annualized savings of 48 million euros.

Healthier financial structure

An increase in capital of 2.2 billion euros in 1998 enabled the company to reduce debt from 3,404 million euros in 1997 to 1,136 million euros on December 31, 1998. This debt reduction will enable the company to achieve savings in financial costs of 75 million euros per year as from 1999. The debt/equity ratio which was negative in 1997, improved to 52% at the end of the year.

Focus on specialty chemicals

Rhodia continued to focus on less cyclical activities with higher added value by completing 16 divestitures in 1998, representing 430 million euros in sales. In particular, the Group sold all its polyester interests in Europe as well as the first stages of polyester in Brazil. In parallel, Rhodia has reinforced its position in strategic businesses.

First dividend payment: 30% of net income

At the next Board meeting, a proposal will be made to pay dividends totaling 35 million euros, representing 30% of net income, as previously indicated to shareholders. Should the proposal be approved at the shareholders' General Meeting to be held on April 15, 1999 in La Defense, the dividend per share could be fixed at 0.30 euro, including tax credit.

Accelerated change and continued growth in 1999

Despite a weak economic environment that will no doubt continue during the beginning of the year, Rhodia intends to produce further significant results in 1999. A certain number of decisions taken in 1998 will automatically have a positive effect on the net income for 1999 (provisions, improvement in margins due to the divestiture of less profitable businesses and reductions in financial costs). Furthermore, certain company-wide measures have been launched to accelerate these changes: "Purchasing" program; revision of innovation process; reduction in fixed costs; improvement in industrial performance; development of a results-oriented culture.

The progress made in 1998 and improvements forecast for 1999 will ensure Rhodia's recovery and its capacity to create value for its shareholders.

1998 results: key figures

	1997	1998	Change	1998
ME	ME	ME	%	MF
Net sales	5,703	5,537	-3	36,323
EBITDA*	881	801	-18	5,256
Net result	-1,117	116	+	762
Earnings per share (F and €)	-6.42	-0.67	-	4.37

* On a comparable basis, excluding extraordinary items.

Net result

116 ME 762 MF

-1,117 ME 1998

1997

EBITDA

801 ME 5,256 MF

881 ME 1998

1997

Breakdown of 1998 sales

per geographic zone

20.0% 24.0% 24.0% 32.0%

Europe North America Latin America Asia-Pacific

Breakdown of 1998 sales per division

20% 19% 19% 42%

Fire organ Consumer specialties Industrial specialties Services and specialties Polymeric Miscellaneous

Rhodia

The best is yet to come

CAPITAL MARKETS ON MONDAY

Despite Worry Over Brazil, Argentina Attracts a Vote of Confidence

By Jonathan Fierbringer
New York Times Service

NEW YORK — Diego Espinosa, the co-manager of the Scudder Global Fund, is not interested at the moment in Brazil or most of the rest of the world's major emerging markets.

His \$1.59 billion fund, which he runs with William Holzer, has cut back its exposure to emerging markets to 1 percent from 5 percent in the summer of 1997.

And as long as the global financial environment is as it is now, he said, "it is going to be hard for us to make the case to invest in emerging markets."

The environment is bad because it is harder and more expensive for emerging-market countries and companies to borrow, there is downward pressure on the prices paid for goods from emerging markets, and the overall world economy — especially the markets of Europe and the United States — appears headed for a slowdown.

Despite his hands-off view, however, Mr. Espinosa has begun to consider an exception: Argentina. Since Brazil devalued its currency Jan. 13, raising new questions about emerging markets, Argentina has done several things to get his attention.

The Argentine government has renewed, in a convincing way, its determination to keep its currency, the peso, pegged directly to the U.S. dollar.

INVESTING

The government is even considering junking the peso in favor of the dollar itself. "That shows a lot of commitment from the government," Mr. Espinosa said.

Also, there is the performance of the country's foreign debt. While it was sold in the wake of the Brazilian devaluation, it has performed better than expected.

At the end of last year, the spreads, or differences in yields, between U.S. Treasury bonds and 30-year global

bonds from Mexico and Argentina were 5.41 percentage points and 5.61 percentage points, in that order, while the difference for Brazilian bonds was far higher, at 9.86 percentage points.

Argentina was being treated like less risky Mexico, though many investors had always linked its outlook to Brazil's.

The spread on the same bonds jumped to 7.20 percentage points for Argentina, compared with 5.75 points for Mexico, after the devaluation. But it did not take off like that for Brazil, which rose to 12.47 percentage points.

Since then, the Argentine spread has narrowed to 6.61 percentage points while Brazil's has fallen only to 11.47 percentage points, according to Bloomberg News.

All this may signal that investors are beginning to distinguish between Brazil and Argentina, though their economic fates are still tightly tied because of their trade links.

Two other factors also figure in Mr. Espinosa's thinking. One is that Ar-

gentina borrowed heavily in global bond markets last year and therefore has much of the money it needs to meet its foreign debt payments this year, second, the Argentine stocks he likes are not very sensitive to overall economic growth rates and are at attractive valuations now.

Mr. Espinosa said he was not allowed to name his favorites, but stocks that appear to meet his definition are YPF SA, the oil and gas company, and the Argentine telephone companies, Telefonos de Argentina SA and Telecom Argentina SA.

"This is the time to think about de-linking," he said, referring to perceptions of Argentina and Brazil. But as emerging markets continue to be volatile, he said, he has not bought anything yet.

While there have been few reverberations in the world's developed markets since Brazil's renewed crisis, there were shocks throughout emerging markets.

Overall, according to the Morgan Stanley Capital International index, these markets are down 3 percent since Jan. 12. The index for Asia is off 5.7 percent, while Latin America is down

0.9 percent, in U.S. dollar terms, after a nice rebound last week.

Turning around Brazil will not be easy. Raising interest rates could help stop its currency's fall — but could also push the economy deeper into recession. A weakening currency, however, could reignite inflation. And the spending cuts needed to cut the government deficit will require layoffs of state workers.

"Emerging markets need periods of global stability to grow," Mr. Espinosa said, because their fragile political systems cannot adjust to the current environment.

Bonds Languish Out of the Spotlight

Bloomberg News

NEW YORK — Brazil's currency devaluation didn't do it. The lowest inflation figures in almost 50 years didn't do it. Nor has the performance of the Dow Jones industrial average so far this year, which has been solid but nothing like the surging Nasdaq composite.

Nothing has been able to shake the U.S. Treasury market out of the narrow band it has been in for the past three months. With long-term yields not far from 31-year lows and the economy booming, investors say it might take a calamity to spur big gains in bonds.

For Treasury issues to rally, "it's going to take the stock market softening quite a bit or financial market Armageddon a la October," said Vic Thompson at State Street Global Advisors in Boston. With markets in chaos last autumn, investors flocked to the safety of Treasury securities.

That scenario has not returned, and as a result the bond market is off to a slow start in 1999.

Investors who bought 30-year Treasury bonds at the start of the year are about even on their investment, when price moves and accrued interest are taken into account. That compares with gains of 17.8 percent in 1998. Since November, 30-year yields — at 5.09 percent Friday — have traded roughly between 5 percent and 5.30 percent. Last week's closing yield was virtually unchanged from 5.08 percent a week earlier.

"The market is trading water," said Sam Paddison at First Capital Group in Philadelphia. Mr. Paddison is among those investors who would be a lot more

keen on Treasury issues if it were not for the resilience of the economy and the strength of the U.S. stock market.

On Friday, the government said gross domestic product, the broadest measure of economic output, grew at a 5.6 percent annual pace in the fourth quarter of 1998, the fastest in more than two years. For all of last year, the economy grew 3.9 percent.

If that were not enough to discourage bond investors, unemployment is at a 28-year low, housing is booming, and

consumer confidence is buoyant. That has helped spark a stock market rally that lifted major indexes to records last month. In January alone, the Nasdaq composite index climbed 14 percent.

"To get bullish on Treasuries, one thing I want to see is stocks go down," said Mr. Paddison, who has a printout of the Dow's closing level in 1998 taped to his computer screen. "It's one of the signs we look for to get more pumped up in the bond market."

On the plus side for bond investors, the government also reported that the inflation gauge used in calculating gross domestic product, known as the deflator, rose at only a 0.8 percent annual rate in the last three months of 1998. That is the smallest such rise since 1959. For the year, the deflator rose just 1 percent, the smallest annual increase in nearly 50 years. Low inflation helps bonds hold their value.

Bond investors' concern is that the economy's robust growth reduces the

chance that the Federal Reserve will follow up its three-quarter-point interest-rate reductions of last autumn with a fourth cut soon. Growth also increases the possibility that inflation will quicken, despite its current low level.

Rising stocks, meanwhile, create wealth for individuals, making them more willing to spend — not to mention that gains in stocks make bonds a less attractive alternative.

"As long as the stock market keeps going, it is hard to see a rally in the U.S. bond market developing," said Susan Huang, who oversees \$30 billion at Chase Asset Management.

Bond investors have been paying such close attention to stocks, in fact, that Treasury securities have traded inversely to equities for most of the past month, getting a boost from declines in stocks and falling when stocks rise.

While some investors say it might take a steep and sustained decline in stocks to spur another bond rally, few are expecting a rout in the Treasury market either. The reason: the lack of inflation in the U.S. economy.

Low Treasury yields also indicate that investors see value in safety. Brazil is struggling to revive its sagging economy, and Asian economies are only beginning to recover from their slump. Some investors say Brazil's problems may spread, hurting U.S. growth and roiling markets.

"Economic growth is going to slow a lot, dragged down by international turmoil and a stock market correction," said Fred Levin, an economist at Aubrey G. Lanston & Co.

Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending Jan. 29. Prices supplied by Telekurs.

Rnk Name Cpn Maturity Price Crd Yld

British Pound				
101 British	7	04/07/02	107.8333	4.4900
120 Annington Fin 4	zero	12/07/22	106.4250	5.7000
127 Future Rentals 2	zero	03/26/01	89.4007	5.1800
189 Abbey Natl 5 1/2	5 1/2	01/21/04	106.0128	5.2500
174 Natl Hydro	6 1/2	06/07/21	100.0096	5.5000
209 Thermo Fin	zero	07/19/03	106.4454	12.8200
221 Fin Resid Hous	11 1/4	09/30/00	109.7122	4.7000
234 EIB	7	12/08/03	106.6035	6.4500
245 Annington 4 Fm	6 3/4	01/22/23	104.5712	6.7000
249 Fannie Mae	6 1/2	04/07/02	105.7770	6.5000

Rnk Name Cpn Maturity Price Crd Yld

Danish Krone				
28 Denmark	7	11/15/07	121.4627	5.7200
34 Denmark	8	05/15/03	115.6749	4.9200
46 Denmark	6	11/15/01	116.9551	5.1300
50 Denmark	6	11/15/02	108.7202	5.2200
51 Denmark	8	11/15/01	111.9700	7.1400
58 Denmark	9	11/15/00	109.5700	8.2100
73 Denmark	8	03/15/04	123.3700	6.3800
86 Denmark	6	12/15/99	102.0400	5.8800
88 Denmark	6	02/15/01	101.8800	3.9500
95 Nykredit	4	10/01/29	98.4000	1.0000
103 Denmark	4	02/15/01	101.8800	3.9500
105 Nykredit	7	07/01/05	107.1600	6.9000
106 Denmark	7	11/15/04	131.5407	5.3200
124 Unilever	6	10/01/29	98.4000	6.9000
129 Denmark Thills	zero	08/02/29	100.0000	5.0000
131 Denmark	7	07/01/05	107.1600	6.9000
200 Nykredit	7	07/01/29	101.4000	6.9000
237 Denmark	4	02/15/00	100.5400	3.9000

Rnk Name Cpn Maturity Price Crd Yld

Euro				
1 Germany	3 1/4	01/04/09	100.9375	3.7200
2 Germany	5 1/4	01/04/08	112.4455	4.9900
3 Germany	4 1/4	01/04/08	103.6866	3.9800
4 Germany	4 1/4	01/04/08	108.3277	4.3200
5 Germany	6 1/4	01/04/08	116.4170	5.2000
6 Germany	4 1/4	01/04/08	107.9135	4.4000
8 Germany	5 1/4	01/04/08	116.2960	4.8400
9 Germany	6 1/4	01/04/08	116.4170	5.2000
10 Germany	3 1/4	01/04/08	100.3003	2.9900
11 Germany	6 1/4	01/04/08	121.0736	5.0000
12 Germany	6 1/4	01/04/08	116.4170	5.2000
14 Germany	7 1/4	01/03/05	121.1900	5.4000
15 Germany	3 1/4	01/04/08	100.3003	2.9900
16 Germany	7 1/4	01/03/05	121.1900	5.4000
17 Germany	6 1/4	01/04/08	116.4170	5.2000
19 Germany	4 1/4	01/04/08	107.9135	4.4000
20 Germany	4 1/4	01/04/08	103.6866	3.9800
21 Germany	6 1/4	01/04/08	116.4170	5.2000
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28 Germany	6 1/4	01/04/08	116.4170	5.2000
29 Germany	6 1/4	01/04/08	116.4170	5.2000
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42 Germany	6 1/4	01/04/08	116.4170	5.2000
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44 Germany	6 1/4	01/04/08	116.4170	5.2000
45 Germany	6 1/4	01/04/08	116.4170	5.2000
46 Germany	6 1/4	01/04/08	116.4170	5.2000
47 Germany	6 1/4	01/04/08	116.4170	5.2000
48 Germany	6 1/4	01/04/08	116.4170	5.2000
49 Germany	6 1/4	01/04/08	116.4170	5.2000
50 Germany	6 1/4	01/04/08	116.4170	5.2000
51 Germany	6 1/4	01/04/08	116.4170	5.2000
52 Germany	6 1/4	01/04/08	116.4170	5.2000
53 Germany	6 1/4	01/04/08	116.4170	5.2000

Rnk Name Cpn Maturity Price Crd Yld

Japanese Yen				
124 Spain	5 1/4	03/23/02	115.5000	4.9800
183 World Bank	4 1/4	06/20/00	105.6175	4.2500

Rnk Name Cpn Maturity Price Crd Yld

French Franc				
153 Credit Foncier	8 1/4	02/20/02	111.7634	7.2200
219 France Telecom	2	01/01/04	116.5801	1.7200

Rnk Name Cpn Maturity Price Crd Yld

Asian-Pacific				
Expected This Week	New Delhi: Indian Infrastructure Publishing conference, Thursday and Friday.			
	Seoul: World Bank and South Korean government sponsor "Democracy, Market Economy and Development" conference starting Friday.			

Monday Feb. 1

Bangkok: Consumer price index for January.

Seoul: Consumer price index trend and trade balance for January.

Sydney: Commodity prices index for January.

Tuesday Feb. 2

Sydney: International trade data for December.

Bratislava, Slovakia: Finance Ministry to sell one-year koruna-denominated bills.

Budapest: Debt Management Agency to auction three-month Treasury bills.

Wednesday Feb. 3

Manila: Employers Confederation of the Philippines forum on jobs.

Sydney: Building approvals data.

Budapest: Auction of six-month Treasury bills.

London: Chartered Institute of Purchasing and Supply to release survey of purchasing managers.

Warsaw: Auction of two-year and five-year bonds.

Thursday Feb. 4

Sydney: Retail sales for December.

Wellington: Unemployment rate and employment growth for the fourth quarter; tourism and migration data for December.

Budapest: Auction of 12-month Treasury bills.

Bratislava: Finance Ministry to issue one-year koruna-denominated bills.

Bern: Unemployment data for January; merchandise trade data for fourth quarter.

Madrid: Employment survey for fourth quarter.

Voorburg: Consumer prices for January.

Bern: Unemployment data for January; merchandise trade data for fourth quarter.

Madrid: Employment survey for fourth quarter.

Voorburg: Consumer prices for January.

Europe

Zurich: Fonds '99 conference, Thursday and Friday.

Zurich: Swiss business group Vorort holds a seminar Wednesday on the likely consequences for Swiss business of the trade agreement between Bern and the European Union.

London: MD money-supply data for January.

Prague: December industrial sales.

Voorburg, Netherlands: Producer prices for December.

Zurich: January industrial production.

Bratislava, Slovakia: Finance Ministry to sell one-year koruna-denominated bills.

Budapest: Debt Management Agency to auction three-month Treasury bills.

London: Chartered Institute of Purchasing and Supply to release survey of purchasing managers.

Warsaw: Auction of two-year and five-year bonds.

Friday Feb. 5

Bangkok: Foreign reserves data.

Sydney: Reserve assets data for January.

Taipei: Consumer and wholesale price indexes for January.

Bern: Unemployment data for January; merchandise trade data for fourth quarter.

Madrid: Employment survey for fourth quarter.

Voorburg: Consumer prices for January.

Bern: Unemployment data for January; merchandise trade data for fourth quarter.

Madrid: Employment survey for fourth quarter.

Voorburg: Consumer prices for January.

Bern: Unemployment data for January; merchandise trade data for fourth quarter.

Madrid: Employment survey for fourth quarter.

Voorburg: Consumer prices for January.

Bern: Unemployment data for January; merchandise trade data for fourth quarter.

Madrid: Employment survey for fourth quarter.

Voorburg: Consumer prices for January.

New International Bond Issues

Compiled by Laurence Desvillettes

Issuer Amount (millions) Mat. Comp. % Price Price and week

Bank of Scotland Inc \$400 2002 7 1/2 99.99 — Over 3-month Libor. Noncallable. Fees 0.125% (Morgan Stanley Dean Witter).

Credit Local de France \$1,500 2002 10 99.95 — Interest will be the 3-month Libor. Noncallable. Fees 0.12

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Figures as of close
of trading Friday, January 29

Fund	Assets	Liabilities	Net Assets	NAV	YTD %	1Y %	3Y %	5Y %	10Y %	15Y %	20Y %	25Y %	30Y %	35Y %	40Y %	45Y %	50Y %	55Y %	60Y %	65Y %	70Y %	75Y %	80Y %	85Y %	90Y %	95Y %	100Y %
1. Fidelity Divers Intl	1,234,567,890	123,456,789	1,111,111,101	11.23	12.34	13.45	14.56	15.67	16.78	17.89	18.90	19.01	20.12	21.23	22.34	23.45	24.56	25.67	26.78	27.89	28.90	29.01	30.12	31.23	32.34	33.45	34.56
2. Fidelity Divers Intl	987,654,321	98,765,432	888,888,889	8.76	9.87	10.98	12.09	13.20	14.31	15.42	16.53	17.64	18.75	19.86	20.97	22.08	23.19	24.30	25.41	26.52	27.63	28.74	29.85	30.96	32.07	33.18	
3. Fidelity Divers Intl	765,432,109	76,543,210	688,888,899	6.54	7.65	8.76	9.87	10.98	12.09	13.20	14.31	15.42	16.53	17.64	18.75	19.86	20.97	22.08	23.19	24.30	25.41	26.52	27.63	28.74	29.85	30.96	
4. Fidelity Divers Intl	543,210,987	54,321,098	488,888,889	4.32	5.43	6.54	7.65	8.76	9.87	10.98	12.09	13.20	14.31	15.42	16.53	17.64	18.75	19.86	20.97	22.08	23.19	24.30	25.41	26.52	27.63	28.74	
5. Fidelity Divers Intl	321,098,765	32,109,876	288,888,889	2.10	3.21	4.32	5.43	6.54	7.65	8.76	9.87	10.98	12.09	13.20	14.31	15.42	16.53	17.64	18.75	19.86	20.97	22.08	23.19	24.30	25.41	26.52	
6. Fidelity Divers Intl	109,876,543	10,987,654	98,888,889	0.98	1.09	2.10	3.21	4.32	5.43	6.54	7.65	8.76	9.87	10.98	12.09	13.20	14.31	15.42	16.53	17.64	18.75	19.86	20.97	22.08	23.19	24.30	
7. Fidelity Divers Intl	87,654,321	8,765,432	78,888,889	0.87	0.98	1.09	2.10	3.21	4.32	5.43	6.54	7.65	8.76	9.87	10.98	12.09	13.20	14.31	15.42	16.53	17.64	18.75	19.86	20.97	22.08	23.19	
8. Fidelity Divers Intl	65,432,109	6,543,210	58,888,889	0.65	0.76	0.87	0.98	1.09	2.10	3.21	4.32	5.43	6.54	7.65	8.76	9.87	10.98	12.09	13.20	14.31	15.42	16.53	17.64	18.75	19.86	20.97	
9. Fidelity Divers Intl	43,210,987	4,321,098	38,888,889	0.43	0.54	0.65	0.76	0.87	0.98	1.09	2.10	3.21	4.32	5.43	6.54	7.65	8.76	9.87	10.98	12.09	13.20	14.31	15.42	16.53	17.64	18.75	
10. Fidelity Divers Intl	21,098,765	2,109,876	18,888,889	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	1.09	2.10	3.21	4.32	5.43	6.54	7.65	8.76	9.87	10.98	12.09	13.20	14.31	15.42	16.53	
11. Fidelity Divers Intl	9,876,543	987,654	8,888,889	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	1.09	2.10	3.21	4.32	5.43	6.54	7.65	8.76	9.87	10.98	12.09	13.20	14.31	
12. Fidelity Divers Intl	7,654,321	765,432	6,888,889	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	1.09	2.10	3.21	4.32	5.43	6.54	7.65	8.76	9.87	10.98	12.09	
13. Fidelity Divers Intl	5,432,109	543,210	4,888,889	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	1.09	2.10	3.21	4.32	5.43	6.54	7.65	8.76	9.87	
14. Fidelity Divers Intl	3,210,987	321,098	2,888,889	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	1.09	2.10	3.21	4.32	5.43	6.54	7.65	
15. Fidelity Divers Intl	1,098,765	109,876	988,889	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	1.09	2.10	3.21	4.32	5.43	
16. Fidelity Divers Intl	876,543	87,654	788,889	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	1.09	2.10	3.21	4.32	
17. Fidelity Divers Intl	654,321	65,432	588,889	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	1.09	2.10	3.21	
18. Fidelity Divers Intl	432,109	43,210	388,889	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	1.09	2.10	
19. Fidelity Divers Intl	210,987	21,098	188,889	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	1.09	
20. Fidelity Divers Intl	98,765	9,876	88,889	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	0.98	
21. Fidelity Divers Intl	7,654	765	6,889	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	0.87	
22. Fidelity Divers Intl	543	54	489	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	0.76	
23. Fidelity Divers Intl	321	32	289	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	0.65	
24. Fidelity Divers Intl	109	10	98	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	0.54	
25. Fidelity Divers Intl	87	8	78	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	0.43	
26. Fidelity Divers Intl	65	6	58	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	0.32	
27. Fidelity Divers Intl	43	4	38	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	0.21	
28. Fidelity Divers Intl	21	2	18	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	0.10	
29. Fidelity Divers Intl	9	0	8	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	0.09	
30. Fidelity Divers Intl	7	0	6	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	0.08	
31. Fidelity Divers Intl	5	0	4	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	0.07	
32. Fidelity Divers Intl	3	0	2	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	0.06	
33. Fidelity Divers Intl	1	0	1	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	0.05	
34. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	0.04	
35. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.03	
36. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
37. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
38. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
39. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
40. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
41. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
42. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
43. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
44. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
45. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
46. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
47. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.02	
48. Fidelity Divers Intl	0	0	0	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01										

This table shows the performance of Nasdaq-listed mutual funds through Friday and includes the top 4,000 funds in terms of assets. There are roughly 6,150 funds currently listed on Nasdaq.

Group names are shown in bold face, with individual fund names in each group indented below. Funds that are not part of a group are not indented.

NAV is the net asset value, i.e. the portfolio value divided by the number of shares outstanding, as reported by the fund through Nasdaq. NAV excludes all sales or redemption charges. Change shows the variation from the previous Friday.

None field footnotes: c - available only through a contractual plan; n - no front-end load or contingent deferred sales load; p - fund assets are used to pay distribution costs; r - redemption fee or contingent deferred sales load may apply; t - footnotes p and r apply.

Price field footnotes : e - ex capital gains distribution;
f - previous day's quotation; s - stock dividend or split;
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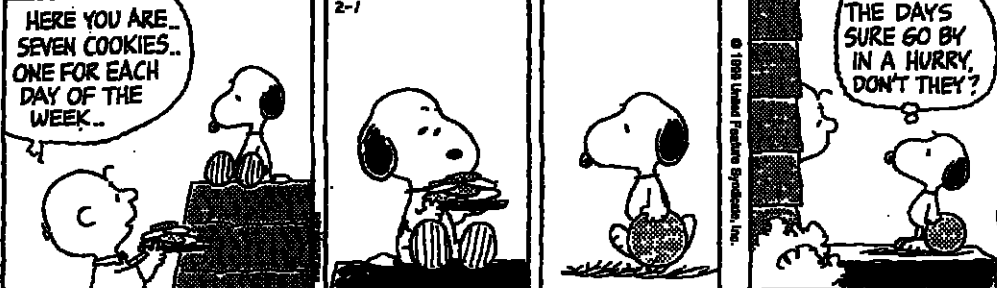
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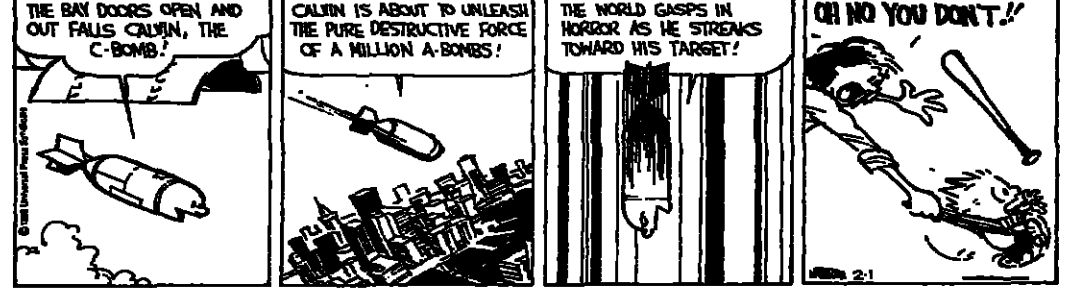
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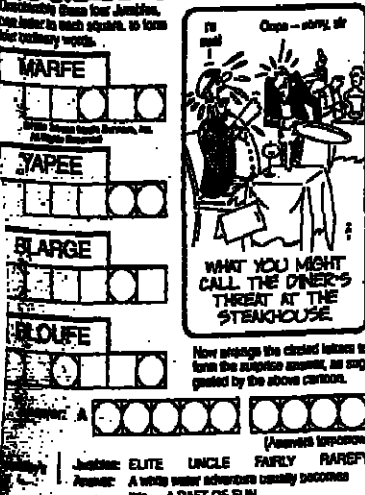
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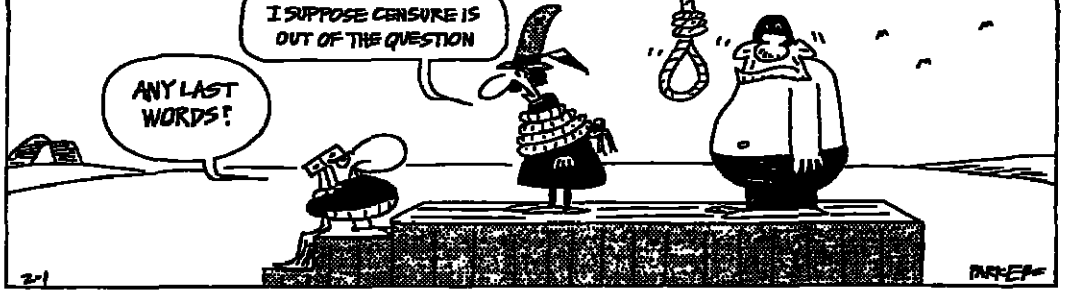
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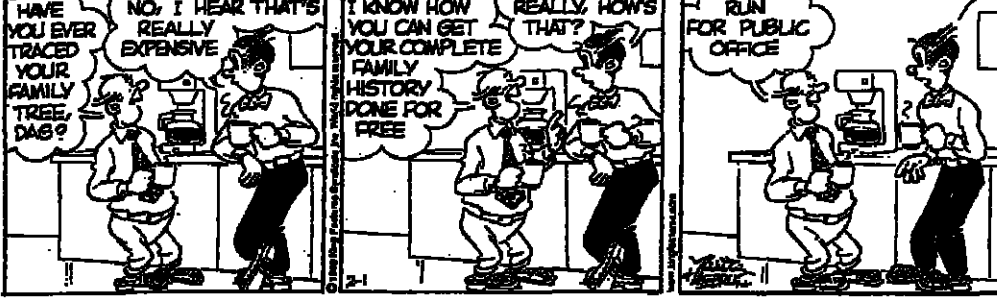
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SPORTS

'LT' Makes NFL Hall of Fame

Voters Place Linebacker's Skills Above His Off-Field Struggles

By Mark Maske
Washington Post Service

MIAMI — Lawrence Taylor, the former New York Giants linebacker, was elected to the Pro Football Hall of Fame, his brilliance on the field overshadowing his struggles off it.

Taylor, known widely as "LT," during his career, was one of five players selected to the Hall on Saturday. The others were the running back Eric Dickerson, the former Cleveland Browns tight end Ozzie Newsome, who is now general manager of the Baltimore Ravens, and the guards Tom Mack and Billy Shaw. They will join Taylor at the Aug. 7 enshrinement ceremonies in Canton, Ohio.

Newsome played 13 seasons for the Browns and is the league's career leader in receptions by a tight end. He said his election was "that much better" because it took place as the new Browns franchise was preparing to begin play next season.

Taylor's candidacy seemed to be in jeopardy in recent days even though his qualifications as a player were irrefutable. He was named to a record 10 consecutive Pro Bowls during his 13 seasons with the Giants between 1981 and 1993, and he was a member of the NFL's 75th anniversary all-time team. He was a three-time NFL defensive player of the year and one-time league most valuable player who reshaped the way the game is played with his relentless, sometimes savage pursuit of opposing quarterbacks. He starred on both Giants teams that won the Super Bowl in the 1986 and 1990 seasons.

But some of the 36 media members

who did the Hall of Fame voting at a Miami hotel had said they were prepared to bypass Taylor because of his legal troubles that include drug-related arrests and income-tax problems. Even last week, Taylor was unapologetic about his past, and only eight "no" votes were needed to keep him from being enshrined.

Commissioner Paul Tagliabue endorsed Taylor's candidacy during his state-of-the-league news conference on Friday, although people involved in the voting said Tagliabue's comments were mentioned during a spirited, 30-minute discussion about Taylor among the voters.

But the balloting guidelines instructed voters to consider only a candidate's on-the-field accomplishments, and Taylor joined Dickerson, a former running back with the Los Angeles Rams, Los Angeles Raiders, Indianapolis Colts and Atlanta Falcons, in being elected in his first year of eligibility.

People involved in the election said the voters defeated a proposal — by a 24 to 11 count, with one abstention — to ask the Hall of Fame's board of directors to consider adding a morals clause to the criteria for enshrinement, similar to what baseball has.

Taylor, in a written statement released by the Giants, said he was "humbled" by his election. He added: "I feel like it is the ultimate reward for playing the game that I love so much and gave so much. I appreciate the debate and the consideration that was given to my nomination. Ultimately, this honor has to do with how I played the game. Obviously the majority of the committee felt the same way."

"It doesn't always come across, but I do appreciate the well-wishes and concerns of my family, my friends and my former teammates. It means a great deal to me. It truly does."

Dickerson said he would be honored to be enshrined with Taylor. "Lawrence Taylor is a great football player, and I'm happy he got in," Dickerson said. "Lawrence revolutionized the linebacker position."

Dickerson told a story about being told once by his coaches to cut-block Taylor at the knees on a play. "I did it, and he said, 'Look, don't you ever cut me again,'" Dickerson said. "I said, 'O.K.' I went to the sideline and said, 'That man said don't ever cut him again.' They called the same play again and I said, 'Put someone else in.'"

Dickerson spent 11 seasons in the NFL and is the league's third-leading career rusher. He holds the NFL's single-season rushing record with his 2,105 yards for the Rams in 1984. "I felt like it would happen one day," he said of his election. "I thought I was a pretty good football player. I never said I was great. I let other people say that if they felt that."

George Allen, the former Washington Redskins coach, did not make the hall in his final year of eligibility.

Mack, an 11-time Pro Bowl player who never missed a game in his 13 seasons with the Rams in the 1960s and '70s, was, like Allen, in his final season of eligibility as a modern-era candidate. Shaw, who played for the Buffalo Bills in the '60s, was this year's senior-committee candidate.

Lynn Swann and Howie Long made the voters' pared-down list of six candidates but did not make the final cut.



Eric Dickerson welcoming news that he, too, was elected to the Hall of Fame.

Star Is Arrested on Eve of Super Bowl

The Associated Press

MIAMI — Eugene Robinson, the Atlanta Falcons' Pro Bowl safety, was cleared Sunday to start the Super Bowl hours after his arrest on a charge of soliciting an undercover police officer for oral sex.

Dan Reeves, the Atlanta coach, said he had no misgivings about allowing Robinson to play in the championship game against the Denver Broncos.

"As far as I'm concerned, and as far as the league is concerned, he can play," said Reeves.

The police said Robinson was arrested at 9 P.M. on Biscayne

Boulevard, a street frequented by prostitutes and drug dealers. He was driving a car, alone, when he offered the officer \$40 for oral sex, said a police spokesman, Angel Calzadilla. Robinson was released from Miami Police headquarters around 11 P.M.

Earlier Saturday, Robinson, who played in the last two Super Bowls with Green Bay, lounged by the pool at the team's hotel with his wife, Gia, and their son, Brandon. Robinson has spoken frequently of his religious faith.

"Unfortunately, even as Christians, we do things wrong," Reeves said. "We're all sinners."

The Morality Behind America's Secular Holy Day Is Hardly Super

New York Times Service

NEW YORK — The Super Bowl may indeed be the quintessence of American boys behaving badly, but it has never pretended to be anything else.

Because it is the national holy day of a religion linked to illegal gambling, domestic violence, sex abuse and institutional racism, it is beyond scandal and star-fall. We should be particularly grateful in these days of Olympic disgrace and pro basketball depression.

I began appreciating the Super Bowl 30 years ago, at what was then called the American Football League-National Football League world championship. The evening before the game, I was offered a glimpse into the future if I promised to keep it in "deep background." Even more easily seduced then, I soon found myself rocking gently on a luxurious yacht, drinking with Commissioner Pete Rozelle and several owners.

Rozelle took me aside, murmured of his concerns that pro football was becoming too big too quickly, too intrinsic

to the national fabric. Could it sustain? He was as serious as any head of state dreaming of an empire.

He went on to leak the legend, which he would soon share with everyone, that the term "Super Bowl," then coming into vogue, had been coined by the Kansas City Chiefs' owner, Lamar Hunt, one of whose children liked to play with a popular toy of the era called a "super ball." Rozelle, the public relations master, told this story with such elaborate reluctance that, in retrospect, it is clear he was releasing a trial balloon he figured the news media would either shoot down or claim to have sent up.

That game, retrospectively called Super Bowl III, helped bring us into this rich new world in which the Olympics became just another super-spectacle competing for entertainment dollars and short white men made boogaloo dreams come true. I wish I had been smart enough that balmy night off Miami Beach to see that the fix was already in, that these guys

know what they were doing.

The NFL and its Super Bowl were about franchising and marketing, about cities desperate to appear "major league," about cars and beer for 18-to-34-year-old male viewers who needed to watch mostly faceless big guys whomp the cartilage out of one another. This was a boy's dream of studly quarterbacks and their loyal meatball guards, "Braveheart" without the blue paint, 60-minute wars without women or the responsibilities of peace. And it was all under the benign fatherhood of intense coaches who would make them men.

No wonder the Olympics and the National Basketball Association started to scramble.

The Olympics have been a model of hypocrisy, continually bending their own rules for the sake of business. All was justified for the survival of a "movement" that was supposedly larger than nationalism. The Olympics fed on nationalistic rivalry, especially when

it could be televised.

This is why it is so hard not to enjoy certain aspects of the current bribery scandal (which will turn out to be far more systemic than first reported) in much the way that agnostics enjoyed the fall of those television preachers who always knew so much about sin.

The Olympics lost its last claim to specialness in 1992, when it opened its arms to the Dream Team, the NBA's Roman legion, which claimed the world in ways that even the late Commissioner Rozelle probably envied. Basketball is more portable and exportable than football, but perhaps more fragile. All its players have faces.

Because individual stars become larger than the game itself, the game is more dependent on them. The process of replacing Michael Jordan has already begun, but until it is complete the game will be in recession. But the Super Bowl, with its red-meat soul, its aroma of beer, cigars and new car leather seats, prospers and rumbles on.

Illegal football betting, from office pools to serious gambling, has become

intrinsic to the national fabric. The only important players who were ever suspended for an entire season, Paul Hornung and Alex Karras, were punished because they bet on games, giving the appearance of being inside traders.

That every level of the game encourages football players to use anabolic steroids and other drugs that enhance performance, build muscle mass or aid strenuous training is no longer even interesting; fascinating will be how the pharmaceutical companies, in their rush to cash in on the men's health boom, will use the game's image of manhood to market drugs.

The continuing, almost perverse, refusal to promote black coaches seems like a one-industry refutation of a century of progress. So does the pigskin curtain on what seems like an epidemic of players with police records. Is it the drugs, a shared psychological profile of player and felon or a sense that the super ball has just bounced out of sight of everyday morality?

Bears me. All I know is that, Sunday, I was grateful to pay homage.

Predators Stop Devils, 3-2, For Their First Victory in OT

The Associated Press

Sebastian Bordese scored with 2:17 left in overtime and Mike Dunham had 27 saves as the Nashville Predators beat the New Jersey Devils, 3-2.

Scott Walker and Greg Johnson also scored Saturday night as the expansion Predators won their first-ever overtime

NHL roundup

game and ended the Devils' season-high four-game winning streak.

Canucks 3, Blackhawks 2 In Vancouver, Markus Naslund scored the go-ahead goal with 8:45 left as the Canucks won for the first time under Coach Mike Crawford and only the third time in their last 15 games.

Penguins 5, Bruins 2 Alexei Kovalev scored twice and assisted on Kevin Hatcher's third-period tiebreaking goal as Pittsburgh beat visiting Boston.

Norwich 3, Canadiens 1 Arturs Irbe made 44 saves and Robert Kron scored twice as Carolina won in Montreal despite managing only 10 shots on goal, none in the third period.

Sabres 4, Kings 1 Donald Audette, playing in Buffalo for the first time since leaving the Sabres, had a busy first period, mixing it up with the Buffalo goalie Dominik Hasek, and then giving Los Angeles the lead. But the Sabres won the game with four third-period goals.

Flames 6, Lightning 2 In Philadelphia, John LeClair scored his NHL-leading 30th and 31st goals, giving him four in his last two games as the Flyers kept their hot streak alive against Tampa Bay.

Stars 5, Panthers 2 Tony Hrkac scored two unassisted goals as Dallas won in Florida. Brett Hull, the Dallas winger, scored his 19th goal, giving him a goal in each of his last five games.

Rangers 3, Red Wings 2 Niklas Sundstrom scored with 4:42 remaining and Mike Richter made 38 saves as the New York Rangers gained their first victory in Detroit in nearly seven years.

Maple Leafs 5, Capitals 3 In Toronto, Steve Sullivan, Garry Valk and Sergei Berezin scored in a 2-3-6 span in the second period as the Maple Leafs defeated Washington.

Senators 3, Islanders 2 Alexei Yashin scored his 21st and 22nd goals of the season and added an assist as Ottawa set a club record for goals in a game in routing the visiting New York Islanders.

Oilers 1, Mighty Ducks 0 In Edmonton, Mikhail Shtalenkov made 22 saves and Janne Niinimaa scored early in the third period as the Oilers beat Anaheim.

Flames 4, Blues 3 In Calgary, Jeff Shantz scored at 3:21 of overtime as the Flames beat St. Louis.

Avalanche 5, Sharks 0 Joe Sakic scored two goals for the third time in his last five games as Colorado beat visiting San Jose for its eighth straight victory.

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SPORTS

With Rules Change, Candidate Cities Scramble for Ways to Woo IOC

By Anne Swardson
Washington Post Service

SION, Switzerland — Posted prominently inside the headquarters of this city's bid committee for the 2006 Winter Olympics are photos of all 114 members of the International Olympic Committee. The idea, an official explains, was to give IOC members a little thrill of recognition when they walked in.

It was also with thoughts of hosting visiting IOC members that the bid committee furnished the three sitting rooms of their neoclassical mansion with leather-covered chairs and other emblems of good living donated by local retailers and set up a video-equipped conference room in the wine cellar.

The IOC members were to have started arriving about now. About \$300,000 was set aside to pay for the first-class air tickets, the deluxe hotel rooms, the cars and drivers, the meals. By the time the bid city for the 2006 Winter Games is

chosen June 19, Sion expected to have entertained as many as 70 members of the IOC.

But that was before the IOC, beset by bribery and corruption scandals in the awarding of the 2002 Winter Games to Salt Lake City, Utah, changed the rules of the game. Under the new system, IOC officials are forbidden to visit cities vying to host the Olympics, and the cities are forbidden to contact them.

The changes leave Sion, a town of 26,000 in the French-speaking part of Switzerland, all dressed up but without any party guests. A full-size mock-up of the proposed temporary wooden housing for athletes graces one of the central squares. Local stores carry signs saying they accept as currency the commemorative coins for the 2006 bid. Banners in English promoting Sion's candidacy fly along every street, as well as at the railroad station. As far away as the Geneva airport, signs celebrate Sion.

"Because we have been candidates before, we already knew a lot of members of the IOC," said Francois Mudry, the mayor of Sion. "Now, only eight of them will decide. The new rules will change things, not just for us but for all candidates."

Under new selection procedures, a 15-member committee, including some IOC members, will make the final choice. The selectors will not visit the six candidate cities, which already have been seen by the IOC's evaluation committee.

Although Mr. Mudry declined to speculate, the rule changes may actually solidify Sion's strong position for the 2006 games. Sion tied with Ostersund, Sweden, for second place behind Salt Lake City in the race for the 2002 Winter Olympics, so the city is a known quantity. And it was highly praised in the evaluation committee's report released Jan. 23.

Things are not so rosy, though, for some of the five other European cities

bidding for 2006 that had hoped visits from IOC members could make the difference. The others are Turin, Helsinki; Klagenfurt, Austria; Zakopane, Poland; and Poprad, Slovakia.

Zakopane was just about to issue invitations to as many as 80 IOC members to visit the resort town in the Tatras Mountains to promote its dark-horse candidacy. Officials from Zakopane were also planning to travel overseas in the next few months to woo certain IOC members.

"I think it's unfair to change the rules in the middle of the run," said Adam Bachleda-Carus, the mayor of Zakopane. "We had settled on a promotion strategy. We are not well known, and there have been a lot of dynamic changes in Poland in the last few years, so the visits were very important to us."

He said he feared that the new committee, whose members are likely to be more familiar with Sion and Turin, will

opt for one of those cities because less-known candidates cannot now even offer a tour before the winning city is chosen. The Zakopane bid committee had planned to spend about \$1.5 million cultivating IOC members.

Even in the better-known city of Turin, the new rules have left organizers perplexed and scrambling for a change in strategy to promote their city.

"Surely having the rules change in the middle of the race creates problems for us," said Alberica Brivio Sforza, a spokeswoman for Turin's bid committee. "We were sure we would be able to show the Olympic committee members our city, show them the atmosphere and all the things Turin has to offer. Seeing it and reading about it on paper are two different things."

This is Sion's third bid to put on the Winter Games — the first was in 1976 — and it is one of the few Swiss cities to show much enthusiasm for staging such an event. Even though Lausanne is

home to the IOC, the last time the Winter Olympics were in Switzerland was in 1948, in St. Moritz.

Organizers do not say it directly, but they hope Switzerland's reputation for financial probity will pay off. Sion's presents to the visiting evaluation committee members when they came in October have been publicly disclosed — personally monogrammed sweaters as well as photo albums — and the \$500,000 saved from all those canceled IOC member visits will be plowed back, in part, into the 50-minute presentation each candidate city will make to the full IOC in Seoul in June before the decision is made.

As for the kind of inducements offered by Salt Lake City, a spokesman, Jean-Raphael Fontannaz, could not resist pointing out that during Sion's bid for the 2002 Games, a visiting IOC member became ill. He spent the night in a local hospital — and Sion sent the bill to the IOC's insurance company.

A Tranquil Mauresmo Is Hoping for 'Respect'

Homosexuality 'Is Part of My Life,' She Says

By Christopher Clarey
International Herald Tribune

MELBOURNE — After her first Grand Slam final had ended in a 6-2, 6-3 loss to Martina Hingis, Amelie Mauresmo sat at a table outside the players' lounge and talked calmly and confidently about her decision to make her homosexuality public knowledge.

Even before arriving at the Australian Open, Mauresmo said she had decided to talk about the topic, not because she wanted to become a symbol or the focus of attention, but because she did not want to dance around the subject throughout her career.

"When the media asks me what's going on in my life, I'm obliged to talk about this because it's part of my life," she said. "And here it is. It's clear that I'm not going to get unanimous support for this. Not everybody is going to be behind my back saying, 'Super.' But no matter what I do, there will always be people against me. With that in mind, I decided to make my sexuality clear."

There will be people who I hope will respect me for doing it because it was my decision, and because there are many other players who are the same way as I am and say nothing and act as if nothing is going on."

Mauresmo, 19, who is from Bomet, France, was asked if her decision might serve as an example to those players.

"Perhaps," she said. "I hope so for them, because right now they are the ones who are having a hard time dealing with their situation. I feel sorry for them."

Mauresmo's resolve to talk about her sexuality will be tested most obviously by the corporate world. The last high-profile tennis player to acknowledge her

homosexuality, Martina Navratilova, never received sponsorship and endorsement contracts commensurate with her achievements before retiring in 1994.

"This will be a good test," said Pam Shriver, a former president of the Women's Tennis Association and Navratilova's former doubles partner. "If the commercial world embraces her, then it's a different era."

Mauresmo, who has a clothing contract, said: "I think things have evolved, and, in my opinion, if they want to set me aside, there will be dozens more who will take me. It's clear. And if they let me go for that, they are jerks anyway."

Shriver expressed her belief that "there certainly won't be any repercussions long-term with the players in the locker room or the way Amelie is treated at tournaments."

But in the short term, there were repercussions in Melbourne.

Mauresmo came here with her new coach, Christophe Fournier, and her partner, Sylvie Bourdon. On Thursday, after her semifinal victory, Hingis, 18, was asked about Mauresmo at a news conference, which was broadcast around the tennis center, with Swiss journalists who reported that she answered in a joking tone in German: "She's her with her girlfriend. She's half a man."

Hingis later denied making the comment and explained that she had said only that Mauresmo played like a man, but neither Fournier nor Mauresmo was convinced.

"I listened to the press conference, and she really said that 'she was half a man because she was with a woman,'" Fournier said. "Despite her young age, she has got responsibilities in life of



Amelie Mauresmo returning to Martina Hingis, who won the final.

her ranking. She needs to understand certain things."

Mauresmo said Hingis's comment "was a very bad joke."

"I saw another interview after the doubles where she said, 'I didn't want to say it that way,'" Mauresmo said. "But for me, it was stupid on her part, really stupid."

Hingis's news conference came on the day that a remarkably poised Davenport upset top-seeded Lindsay Davenport in three sets. When Davenport met with reporters, she said, "A couple of times, I thought I was playing a guy." She also made references to Mauresmo's broad shoulders and power. She made no reference to Mauresmo's sexuality, and later made it clear that she had been talking only about Mauresmo's tennis.

But the remarks from the world's two top-ranked players made the front pages of several Australian newspapers on Friday. When Mauresmo picked up the papers to read in her upset, Bourdon said, she was quite disappointed. "She was so happy when she saw herself on the front pages, and then we saw that what was below the pictures had nothing to do with tennis, and she was clearly affected by this," Bourdon said.

On Friday night, Davenport sent a note of apology to Mauresmo, saying she was sorry that her comments had contributed to the commotion.

"Her message was very important for me, because I was very disappointed by

what happened," Mauresmo said. "It was good, and I appreciated it."

The 5-foot-9-inch Mauresmo expressed surprise that the 6-foot-2 Davenport would be in awe of her power.

"Lindsay hits the ball harder than me; she is more powerful than me, and she's taller than me, so that really shocked me," Mauresmo said.

She said the unpleasantness had not spoiled her first Grand Slam final. "I can tell you that when I walked on court, I wasn't thinking about it," she said.

After the match ended and before they climbed the steps into the trophy box to accept their trophies and give their speeches, Hingis and Mauresmo exchanged a few words. According to Mauresmo, Hingis apologized. But Hingis said after the match that she had told Mauresmo something she wished to keep private but that "there's nothing to apologize for." She added, "I think we will talk a little bit more."

Mauresmo did not expect to reach the final in Melbourne, but after doing so, she attributed her success to being "good and happy" in her private life and being open about her sexuality.

"I wanted to say it once and for all," she said, "and now I want to talk about tennis."

At Home in Australia, Hingis Keeps Her Title

By Christopher Clarey
International Herald Tribune

MELBOURNE — Martina Hingis has a Rebound Ace court at home in Switzerland, and perhaps that explains why she is equally at home on that same surface here on Center Court at the Australian Open.

On Saturday, the day after winning her third consecutive women's doubles title in Melbourne, the Swiss teenager won her third consecutive women's singles title by defeating an unseeded French woman, Amelie Mauresmo, 6-2, 6-3.

It was a convincing victory, accomplished in just over an hour, and though Mauresmo saved six match points in the final game of the match, Hingis's potent cocktail of baseline accuracy, all-court coverage and tactical flexibility lent an air of inevitability to the outcome.

The two had played twice before, and on both occasions Hingis had won in three sets: first in the Fed Cup semifinals in Switzerland in July and then in the third round of the U.S. Open in September. But this encounter came on a much larger stage, and Hingis's victory gave her fifth Grand Slam singles title at age 18. She has now won 21 singles matches in a row at Melbourne Park.

The French 19-year-old, who was the world's top-ranked junior in 1996, was not as poised or precise Saturday, but she will now jump from 29th to at least 18th in the world rankings. Hingis will stay at No. 2, behind Lindsay Davenport.

On a cool, breezy day, more like spring in Paris or Zurich than summer in Australia, the French teenager looked understandably nervous in the opening game, making two unforced errors off her forehand wing and double-faulting to lose her serve. Hingis then took a 2-0 lead when Mauresmo overhit a backhand.

Judgment would prove a problem throughout the set for Mauresmo, who often seemed to be guiding her groundstrokes instead of letting her racquet move freely through the ball. But then Hingis knows how to get the worst out of her opponents, and she had decided that the path to victory lay along the backhand diagonal.

While Mauresmo was occasionally able to overwhelm Hingis from the baseline or force her into awkward positions with her heavy topspin, she was unable to sustain such showmaking, and Hingis broke her again in the seventh game and then served out the set.

What makes Hingis formidable is her versatility. She is often forced into the role of counterpuncher because of the taller, stronger players like Davenport and Venus Williams and Mary Pierce, who are her primary challengers.

Hingis is comfortable at the net, and in the opening game of the second set, she achieved a break point with a lovely forehand drop volley following a crisp forehand volley crosscourt.

Each player held service just once in the first seven games of the second set. In the eighth game the French player took a 0-40 lead, but Hingis rolled off five consecutive points to go up 5-3.

She soon had her first match point on Mauresmo's serve, but she would need nearly seven more minutes to close out the championship, as Mauresmo saved six match points, often with winners or forceful shots.

When Mauresmo saved the sixth with a backhand volley winner, the increasingly frustrated Hingis leaned forward and shrieked.

But Mauresmo would hit her next two volleys into the net, and Hingis raised her arms in the air and threw her racquet into the crowd. She has won three Australian Opens, one Wimbledon and one U.S. Open singles titles. All she is missing is the French Open.

Perhaps it's time she ripped up her Rebound Ace in Switzerland and replaced it with red clay.



Martina Hingis enjoying her march to victory at the Australian Open.

Elster Wins European Rugby Union Cup

DUBLIN — Roared on by 28,000 fans who had crossed the border from Northern Ireland and thousands more from the Irish Republic, the Ulster rugby union team won the European Cup on Saturday, beating the French club Colomiers, 21-6.

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Labit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

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WORLD ROUNDUP

Kafelnikov Defeats Enqvist for Australian Open Title

By Christopher Clarey
International Herald Tribune

MELBOURNE — Yevgeni Kafelnikov, no longer a one-Slam wonder, brandished his trophy in the direction of the television cameras and ended his victory speech with a personal message: "Pete. This is really a great, wonderful feeling. Thanks for letting me do this."

Kafelnikov was expressing his gratitude to Pete Sampras, the world's No. 1 ranked player, for deciding to rest his weary mind and body by skipping the Australian Open.

Kafelnikov has long admired Sampras. He met him in 1991, when he and his coach left the Soviet Union when it was still a Union for three weeks.

Hings captures women's final. Mauresmo on being gay. Page 19.

of training at Nick Bollettieri's tennis academy in Florida. Kafelnikov's silky footwork and polished groundstrokes caught Sampras's eye, and Sampras asked the teenager to train with him.

Four years later, in their first official match, Kafelnikov almost beat Sampras in the second round of the 1994 Australian Open, losing 9-7 in the fifth set. But despite that near-miss and his convincing victory over Sampras in the semifinals of the 1996 French Open — the tournament where Kafelnikov would win his first Grand Slam title — the Russian has usually struggled against Sampras. Even if Sunday's victory speech was lighthearted, Kafelnikov remains acutely aware that the American is one of the finest players in history and he, for the moment, is not.

"Whenever Pete is in the tournament, you feel like he's definitely the man to win," Kafelnikov said Sunday after his 4-6, 6-0, 6-3, 7-6 (7-1) victory over Thomas Enqvist of Sweden. "With his absence, it opens up the field for everybody, including myself."

The field did open: Kafelnikov only had to beat one seeded player, Todd Martin, to win the title. But Enqvist be-

lieves Kafelnikov's victory in Melbourne was hardly an accident. "I think Yevgeni could have a good chance to win it, even if Pete was playing," said Enqvist.

Larry Stefanki, Kafelnikov's new coach, agreed: "I've never been with him when he played Pete, but I think his viewpoint might change. I don't think he's second in line to anybody right now, Pete included."

It will be Stefanki's job to convince Kafelnikov, Stefanki, a former professional, coached John McEnroe near the end of his career and coached Marcelo Rios when Rios reached last year's Australian Open final and then rose to the No. 1 ranking.

"Yevgeni is more of a grinder, Jimmy Connors type," said Stefanki, who split with Rios last summer. "Marcelo and Mac were more artists."

Stefanki said he chose Kafelnikov because of his potential and what he sensed was a change in a young man who has earned a reputation for being more interested in materialistic rewards, like his monogrammed Ferrari and private plane, than major titles.

Kafelnikov, who will rise to No. 3 in this week's rankings, has experienced considerable change in the past year. He was married in July and now has an 11-year-old stepdaughter and three-month-old infant daughter. He also split with his longtime coach, Anatoly Lapedeshin. For the last seven months of 1998, Kafelnikov, a man who once said he required "a strong hand" to keep him on task, was without a coach altogether and briefly considered retiring.

"What I was looking for was motivation, and I needed a guy I can really play for, because when I was on my own I had nobody behind me," he said.

Stefanki is as gregarious as Kafelnikov can be guarded. But they have more in common than their love of golf. Both are strong-minded, and both liked most of what they saw on Centre Court on Sunday when a tournament that steadfastly refused to respect the pecking order finished on a more predictable note with Kafelnikov, seeded 10th, reaping the rewards of his versatility against the unseeded Enqvist.

It was a final that featured high-velocity baseline play, one massive momentum shift and far too many unforced errors to rank as a classic. It ended on an Enqvist double fault.

"I cannot really answer what happened to Thomas," Kafelnikov said afterwards. "But the game plan was very simple. I try to place as many balls in play as I can, because I know I will get the chance. Basically what happened was I broke Thomas mentally."

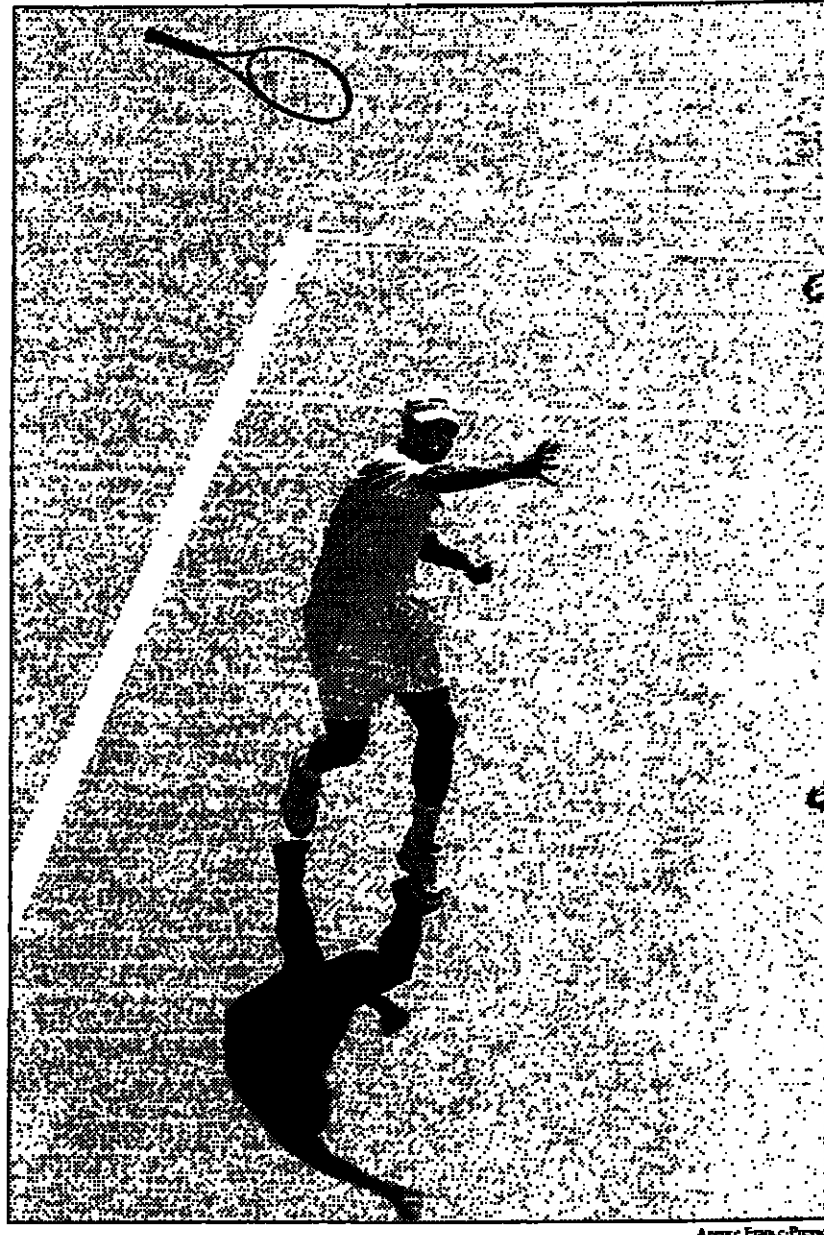
Enqvist carried an 11-match victory streak into the match. But in his first Grand Slam final, he was unable to sustain the backcourt brilliance that had allowed him to make this Australian Open considerably less Australian by defeating Patrick Rafter and Mark Philippoussis.

He finished with 62 unforced errors. After winning the first set, which featured the best tennis of the match, he lost nine straight games to the Russian. Though he lifted his play in the final set, the tiebreaker was a microcosm of the match: unforced errors from Enqvist and all-court play from Kafelnikov, who unlike the Swede, is comfortable at the net and adept at improvising.

The problem with Enqvist's game is that his awkwardness in transition from baseline to net does not allow him to reap the full rewards from the weak shot he forces with his huge groundstrokes. He swings away and serves hard, and when it is all working, it can be overwhelming. But when it goes awry it can be about as inspiring as Enqvist in an interview.

Asked if he had any amusing Enqvist stories, the Swedish Davis Cup captain, Carl-Axel Hageskog, laughed and said: "There aren't any. Just like Stefan Edberg."

Kafelnikov, when the mood is right, can be much more diverting in his imperfect but delightfully comprehensible English: "I mean there's a lot of different things that happen to me to just relieve pressure from my head," he said Sunday. "I feel a lot flexible right now, a lot happier than I was. When you combine those things, you feel like you can jump over the China Wall without having any difficulties."



Yevgeni Kafelnikov of Russia tossing his racket into the crowd after defeating Thomas Enqvist of Sweden for the Australian Open crown.

Rahul Dravid, an Indian batsman, looking back Sunday to see that his wicket had fallen.

Pakistan Tops India

CRICKET Pakistan survived a roller-coaster day Sunday to beat India by 12 runs in Madras in the first test. India, needing 271 runs in its second innings to win, slipped to 82 for five wickets. Sachin Tendulkar and Nayan Mongia took score to 218 before Mongia was out for 52. After Tendulkar was out for 136 with the score on 254, India's last three wickets fell for four runs. No other Indian scored more than 10.

• Ricky Ponting returned from a three match ban Sunday to win the man-of-the-match award as Australia beat Sri Lanka by 45 runs in Perth in the tri-series one-day competition. Australia will play England in the final. Ponting was suspended following a brawl in a Sydney nightclub. (Reuters)

Moseley Wins as Els Slips

GOLF Ernie Els blew a six-stroke lead in the last round of the Heineken Classic in Perth on Sunday. Els triple-bogeyed the seventh, lost his composure and hit a 75. Jarrod Moseley, an Australian, shot 69 for a 14-under-par total of 274 to beat Els by one stroke. (Reuters)

A Russian Sweep

FIGURE SKATING Maria Butyrskaya retained the women's title Saturday as Russia captured all four titles at the European championships for the third straight year. Butyrskaya, 26, gave a commanding performance that earned her first-place votes from every judge in all three phases of the competition. Two Russian teenagers, Julia Solotova and Viktoriya Volchkova, finished second and third. Russia won nine of the 12 medals at the competition in Prague. (Reuters)

Manchester United Downs Charlton to Capture League Lead

Compiled by Our Staff From Dispatches

Manchester United went to the top of the English Premier League for the first time this season Sunday when it won, 1-0, at Charlton while Chelsea, which started the day as the league leader, lost at Arsenal, 1-0.

United leads Chelsea and Aston Villa, which lost, 2-1, at Newcastle on Saturday, by one point. Arsenal, the defending champion, is one point further back. United did not take the lead until the 89th minute, when Dwight Yorke headed in the winning goal.

On the other side of London, Arsenal ended visiting Chelsea's 21-game league unbeaten streak. The only goal came after 32 minutes when Marc Overmars directed Emmanuel Petit's long pass toward Dennis Bergkamp, who coolly placed the ball past Ed de Goey, the Chelsea goalie.

On Saturday, Alan Shearer scored his first Premier League goal in over four months when he headed Newcastle into the lead against Villa. Temuri Ketsbaia scored Newcastle's other goal before Paul Merson replied for Villa.

Elsewhere, Pierre Van Hooijdonk scored the only goal as Nottingham Forest won, 1-0, at Everton, ending a 19-game winless streak in the league. Everton has scored just three goals in 12 home games.

ITALY Christian Vieri scored twice Sunday as Lazio won, 3-1, at Bari to gain its eighth consecutive victory. Attilio Lombardo, who recently joined Lazio from Crystal Palace, also scored as the Rome club remained three points behind Fiorentina, the Serie A

leader, which beat Vicenza, 3-0, in Florence. Giulio Falcone, Moreno Torricelli, and Gabriel Batistuta, with his 17th goal of the season, scored for Fiorentina.

AC Milan rose to third place after beating visiting Salernitana, 3-2. The Salernitana team led, 2-1, after 14 minutes, but George Weah and Oliver Bierhoff, with his second goal of the game, gave Milan the victory. Milan, which has not lost in eight matches, visits Fiorentina this weekend.

Parma, which started the day in third place, needed an 86th minute goal by Enrico Chiesa to gain a 2-2 home draw with Venezia.

Angelo Peruzzi, the Juventus goalie, saved a second-half penalty, but the defending league champion still lost, 1-0, at Cagliari. Inter Milan, playing without its in-

jured forwards Ronaldo, Ivan Zamorano and Nicola Ventola, drew, 0-0, at Piacenza.

SPAIN Philip Cocu scored with eight minutes to play Sunday to give Barcelona a 3-2 victory over Racing Santander and carry the reigning champion back to the top of the standings in the Spanish league.

Victor Sanchez gave Racing the lead in the 28th minute, but three minutes later, Racing's Olof Mellberg was sent off. Within five minutes left, Jesus Maria Merino scored an own-goal to equalize for Barcelona.

FRANCE Bordeaux scored four times in the first 30 minutes as it crushed Marseille, 4-1, Friday to take over first place in the French league.

Both teams have 48 points, 12 ahead of Rennes, which defeated host Bastia, 1-0, on Saturday. (AP, Reuters, AFP)

Hodde's Remarks Draw Fire

Glenn Hodde, the coach of England's national soccer team, will have to answer to the Football Association over comments he allegedly made about disabled people, Reuters reported from London.

David Davis, the FA's interim executive director, said Sunday that English soccer's governing body "will want to know how a football interview with a football reporter turned into something different."

The Times of London quoted Hodde as saying that disabled people were paying for sins in a past life.

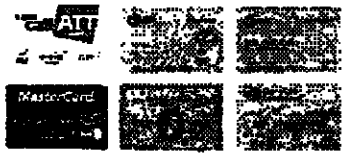
"You and I have been physically given two hands and two legs and a half-decent brain. Some people have not been born like that for a reason. The karma is working from another lifetime. What you sow, you have to reap."



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